

State of Alaska
Board of Certified Real Estate
Appraisers

Board Meeting
June 9, 2021
Video Conference

Alaska Board of Certified Real Estate Appraisers

Board Roster

(As of 03.22.2021)

Mae Hayes
Mortgage Banking Executive
Fairbanks, AK

Val Kudryn
Certified Residential Real Estate Appraiser
Sitka, AK

Leon McKean
Mortgage Banking Executive
Fairbanks, AK 99701

Ashley Stetson
Public Member
Wasilla, AK

CALL TO ORDER / ROLL CALL

The State of Alaska
Board of Certified Real Estate Appraisers
Draft Agenda
June 9, 2021

Registration Link: <https://amco-alaska-gov.zoom.us/meeting/register/tJYrf-Cgpi0iE9MUfF-ICiZ1E7maft9bJ-1b>

Call In #: 1-253-215-8782 or 1-669-900-6833

Meeting ID: 926 8988 6897

- | | | | |
|----|------------|--|-----------------------|
| 1. | 10:00 a.m. | Call to Order/ Roll Call <ul style="list-style-type: none">• Review/Approve Agenda• Ethics Report• Continuing Education Statement | Chair Stetson |
| 2. | 10:05 a.m. | Introduce New Board Members | Chair Stetson |
| 3. | 10:10 a.m. | Review/Approve Past Meeting Minutes <ul style="list-style-type: none">• March 24, 2021 | Chair Stetson |
| 4. | 10:15 a.m. | Public Comment | |
| 5. | 10:30 a.m. | Investigations <ul style="list-style-type: none">• Investigative Report | Investigator Prieksat |
| 6. | 11:15 a.m. | Regulation Project <ul style="list-style-type: none">• CE Credits Online/Classroom• Definition of Employee for AMCs | Chair Stetson |
| | 12:00 p.m. | Lunch | |
| 7. | 1:00 p.m. | Division Update <ul style="list-style-type: none">• FY21 Q3 Financials• Board Training | Director Chambers |
| 8. | 3:00 p.m. | Restricting Appraisers Discussion <ul style="list-style-type: none">• Guest from Real Estate Commission | Chair Stetson |
| 9. | 3:30 p.m. | Board Business <ul style="list-style-type: none">• Pending Applications• Annual Report – adopt FY22 Goals & Objectives• Board Topics/Questions• Schedule Next Meeting | Chair Stetson |
| | 4:30 p.m. | Adjourn | |

ETHICS REPORT

MEMORANDUM

State of Alaska Department of Law

TO: _____ DATE: _____
FILE NO.: _____
TEL. NO.: _____
FROM: Angie White
Litigation Assistant
Department of Law
Opinions, Appeals, & Ethics Section
FAX: _____
SUBJECT: Executive Branch Ethics Act, AS
39.52 Quarterly Report


******SAMPLE LANGUAGE – PLEASE COPY ONLY THE PARTS THAT APPLY
ONTO YOUR BOARD OR COMMISSION’S LETTERHEAD ******

As designated ethics supervisor and chair [executive director] for the _____, I wish to advise you that I have received no notifications of potential violations or requests for ethics determinations under the Ethics Act (AS 39.52) and have made no written determinations for this quarter.

OR

As designated ethics supervisor and chair [executive director] for the _____, I have received ___ notification(s) of a potential violation and ___ requests for ethics determinations under the Ethics Act (AS 39.52). I have attached a copy of the notices and requests along with my written determination(s) for review by the attorney general. I did [did not] receive an advisory opinion from the Attorney General.

AND

Except as addressed above, no other [board member] [commissioner] disclosed a potential conflict of interest at a recorded public meeting during this quarter.

OR

In addition to the above, at the [date] meeting, [Board member] [Commissioner] _____ disclosed a potential conflict with respect to _____ [*insert brief description*]_____. *Insert disposition:* [S/He refrained from participation.] *or* [I determined s/he could [could not] participate.] *or* [The Board [Commission] members voted to permit [not to permit] participation.]

CONFIDENTIAL

ETHICS SUPERVISOR DETERMINATION FORM

(Board or Commission Member)

Board or Commission: _____

Member Disclosing Potential Ethics Violation: _____

I have determined that the situation described on the attached ethics disclosure form

does or would violate AS 39.52.110 - .190. Identify applicable statute below.

does not or would not violate AS 39.52.110 - .190.

Signature of Designated Ethics Supervisor (Chair)

Printed Name of Designated Ethics Supervisor

Date: _____

COMMENTS (Please attach a separate sheet for additional space):

Large light blue rectangular area for comments.

Note: Disclosure Form must be attached. Under AS 39.52.220, if the chair or a majority of the board or commission, not including the disclosing member, determines that a violation of AS 39.52.110 39.52.190 will exist if the member participates, the member shall refrain from voting, deliberating, or participating in the matter. A member will not be liable under the Ethics Act for action in accordance with such a determination so long as the member has fully disclosed all facts reasonably necessary to the determination and the attorney general has not advised the member, chair, or board or commission that the action is a violation. Forward disclosures with determinations to the State Ethics Attorney as part of your quarterly report. Quarterly reports are submitted to Litigation Assistant, Opinions, Appeals & Ethics, Department of Law, 1031 W. 4th Avenue, Suite 200, Anchorage, AK 99501.

Revised 2012

State of Alaska Department of Law

Who Is My Designated Ethics Supervisor?

Every state public officer, employee or board or commission member, has a designated ethics supervisor.

Executive Agencies

The ethics supervisor for each agency is the Commissioner or a senior manager to whom the Commissioner has delegated the function. The current ethics supervisor for each agency is listed below. The ethics supervisor for a Commissioner is Guy Bell, Director of Administrative Services in the Office of Governor, by delegation from the Governor.

Boards and Commissions

The Chair of each board and commission serves as the ethics supervisor for the other members and any executive director. The ethics supervisor for the Chair is Guy Bell, Director of Administrative Services in the Office of Governor, by delegation from the Governor. If a board or commission employs staff, the executive director serves as the ethics supervisor for these employees.

Public Corporations

The Chair of the board serves as the ethics supervisor for the other members of the board and any executive director. The executive director is the ethics supervisor for employees of the corporation.

Office of the Governor

The ethics supervisor for the Governor and Lieutenant Governor is the Attorney General. By delegation from the Governor, the ethics supervisor for the staff of the offices of the Governor and Lieutenant Governor is Guy Bell, Director of Administrative Services.

University of Alaska

By delegation of the University President, the ethics supervisor for university employees is Associate General Counsel Andy Harrington.

EXECUTIVE BRANCH AGENCIES

Administration: Leslie Ridle, Deputy Commissioner

Commerce, Community & Economic Development: Jon Bittner, Deputy Commissioner

Corrections: April Wilkerson, Director of Administrative Services

Education & Early Development: Les Morse, Deputy Commissioner

Environmental Conservation: Tom Cherian, Director of Administrative Services

Fish & Game: Kevin Brooks, Deputy Commissioner

Health & Social Services: Dallas Hargrave, Human Resource Manager

Labor & Workforce Development: Michael Monagle, Director, Division of Workers Compensation

Law: Jonathan Woodman, Assistant Attorney General

Military & Veterans Affairs: Marty Meyer, Special Assistant to Commissioner

Natural Resources: John Crowther, Inter-Governmental Coordinator

Public Safety: Terry Vrabec, Deputy Commissioner

Revenue: Dan DeBartolo, Administrative Services Director

Transportation & Public Facilities:

- Highways & Public Facilities: Steve Hatter, Deputy Commissioner
- Aviation: John Binder, Deputy Commissioner
- Central Region: Rob Campbell, Regional Director
- Northern Region: Rob Campbell, Acting Regional Director
- Southcoast Region: Acting Regional Director
- Alaska Marine Highway System: Michael Neussl, Deputy Commissioner
- Headquarters: Mary Siroky, Administrative Services Director

Updated April 2015

Department of Law attorney.general@alaska.gov P.O. Box 110300, Juneau, AK 99811-0300
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State of Alaska

Department of Law

Ethics Information for Members of Boards & Commissions (AS 39.52)

Introduction

This is an introduction to AS 39.52, the Alaska Executive Branch Ethics Act. This guide is not a substitute for reading the law and its regulations. State board and commission members who have further questions should contact their board chair or staff.

The Ethics Act applies to all current and former executive branch public employees and members of statutorily created boards and commissions.

Scope of Ethics Act (AS 39.52.110)

Service on a state board or commission is a public trust. The Ethics Act prohibits substantial and material conflicts of interest. Further, board or commission members, and their immediate family, may not improperly benefit, financially or personally, from their actions as board or commission members. The Act does not, however, discourage independent pursuits, and it recognizes that minor and inconsequential conflicts of interest are unavoidable.

Misuse of Official Position (AS 39.52.120)

Members of boards or commissions may not use their positions for personal gain or to give an unwarranted benefit or treatment to any person. For example, board members may not:

- use their official positions to secure employment or contracts;
- accept compensation from anyone other than the State for performing official duties;
- use State time, equipment, property or facilities for their own personal or financial benefit or for partisan political purposes;
- take or withhold official action on a matter in which they have a personal or financial interest; or
- coerce subordinates for their personal or financial benefit.
- attempt to influence outcome of an administrative hearing by privately contacting the hearing officer.



Terry knew that a proposal that was before the board would harm Terry's business competitor. Instead of publicly disclosing the matter and requesting recusal, Terry voted on the proposal.



Board member Mick has board staff employee Bob type an article for him that Mick hopes to sell to an Alaskan magazine. Bob types the article on State time.

Improper Gifts (AS 39.52.130)

A board member may not solicit or accept gifts if a person could reasonably infer from the circumstances that the gift is intended to influence the board member's action or judgment. "Gifts" include money, items of value, services, loans, travel, entertainment, hospitality, and employment. All gifts from registered lobbyists are presumed to be improper, unless the giver is immediate family of the person receiving the gift.

A gift worth more than \$150 to a board member or the board member's immediate family must be reported within 30 days if:

- the board member can take official action that can affect the giver, or
- the gift is given to the board member because he or she is on a state board.

The receipt of a gift worth less than \$150 may be prohibited if a person could reasonably infer from the circumstances that the gift is intended to influence the board member's action or judgment. Receipt of such a gift should be disclosed.

Any gift received from another government, regardless of value, must be reported; the board member will be advised as to the disposition of this gift.

A form for reporting gifts is available at www.law.alaska.gov/doclibrary/ethics or from the board or commission staff.

This restriction on gifts does not apply to lawful campaign contributions.



The commission is reviewing Roy's proposal for an expansion of his business. Roy invites all the board members out to dinner at an expensive restaurant. He says it will be okay, since he isn't excluding any of the members.



Jody receives a holiday gift every year from Sam. Jody was recently appointed to a state board, but Sam has no business that is before the board. Jody may accept the gift.

Improper Use or Disclosure of Information (AS 39.52.140)

No former or current member of a board may use or disclose any information acquired from participation on the board if that use or disclosure could result in a financial or personal benefit to the board member (or immediate family), unless that information has already been disseminated to the public. Board members are also prohibited from disclosing confidential information, unless authorized to do so.



Sheila has been on the board for several years. She feels she has learned a great deal of general information about how to have a successful business venture. So she sets up her own business and does well.



Delores has always advised and assisted the other doctors in her clinic on their continuing education requirements. After Delores is appointed to the medical board, she discloses this role to the board and continues to advise the doctors in her clinic.



Jim reviews a confidential investigation report in a licensing matter. He discusses the practitioner's violation with a colleague who is not a board member.

Improper Influence in State Grants, Contracts, Leases or Loans (AS 39.52.150)

A board member, or immediate family, may not apply for, or have an interest in a State grant, contract, lease, or loan, if the board awards or takes action to administer the State grant, contract, lease, or loan.

A board member (or immediate family) may apply for or be a party to a competitively solicited State grant, contract or lease, if the board as a body does not award or administer the grant, contract, or lease and so long as the board member does not take official action regarding the grant, contract, or lease.

A board member (or immediate family) may apply for and receive a State loan that is generally available to the public and has fixed eligibility standards, so long as the board member does not take (or withhold) official action affecting the loan's award or administration.

Board members must report to the board chair any personal or financial interest (or that of immediate family) in a State grant, contract, lease or loan that is awarded or administered by the agency the board member serves. A form for this purpose is available at www.law.alaska.gov/doclibrary/ethics or from the board or commission staff.



John sits on a board that awards state grants. John hasn't seen his daughter for nearly ten years so he figures that it doesn't matter when her grant application comes up before the board.



The board wants to contract out for an analysis of the board's decisions over the last ten years. Board member Kim would like the contract since she has been on the board for ten years and feels she could do a good job.

Improper Representation (AS 39.52.160)

A board or commission member may not represent, advise, or assist a person in matters pending before the board or commission for compensation. A nonsalaried board or commission member may represent, advise, or assist in matters in which the member has an interest that is regulated by the member's own board or commission, if the member acts in accordance with AS 39.52.220 by disclosing the involvement in writing and on the public record, and refraining from all participation and voting on the matter. This section does not allow a board member to engage in any conduct that would violate a different section of the Ethics Act.



Susan sits on the licensing board for her own profession. She will represent herself and her business partner in a licensing matter. She discloses this situation to the board and refrains from participation in the board's discussions and determinations regarding the matter.

Restriction on Employment After Leaving State Service (AS 39.52.180)

For two years after leaving a board, a former board member may not provide advice or work for compensation on any matter in which the former member personally and substantially participated while serving on the board. This prohibition applies to cases, proceedings, applications, contracts, legislative bills, regulations, and similar matters. This section does not prohibit a State agency from contracting directly with a former board member.

With the approval of the Attorney General, the board chair may waive the above prohibition if a determination is made that the public interest is not jeopardized.

Former members of the governing boards of public corporations and former members of boards and commissions that have regulation-adoption authority, except those covered by the centralized licensing provisions of AS 08.01, may not lobby for pay for one year.



The board has arranged for an extensive study of the effects of the Department's programs. Andy, a board member, did most of the liaison work with the contractor selected by the board, including some negotiations about the scope of the study. Andy quits the board and goes to work for the contractor, working on the study of the effects of the Department's programs.



Andy takes the job, but specifies that he will have to work on another project.

Aiding a Violation Prohibited (AS 39.52.190)

Aiding another public officer to violate the Ethics Act is prohibited.

Agency Policies (AS 39.52.920)

Subject to the Attorney General's review, a board may adopt additional written policies further limiting personal or financial interests of board members.

Disclosure Procedures

DECLARATION OF POTENTIAL VIOLATIONS BY MEMBERS OF BOARDS OR COMMISSIONS (AS 39.52.220)

A board member whose interests or activities could result in a violation of the Ethics Act if the member participates in board action must disclose the matter on the public record and in writing to the board chair who determines whether a violation exists. A form for this purpose is available at www.law.alaska.gov/doclibrary/ethics or from the board or commission staff. If another board member objects to the chair's ruling or if the chair discloses a potential conflict, the board members at the meeting (excluding the involved member) vote on the matter. If the chair or the board determines a violation will occur, the member must refrain from deliberating, voting, or participating in the matter. For more information, see Ethics Act Procedures for Boards and Commissions available at the above noted web site.

When determining whether a board member's involvement in a matter may violate the Ethics Act, either the chair or the board or commission itself may request guidance from the Attorney General.

ATTORNEY GENERAL'S ADVICE (AS 39.52.240-250)

A board chair or a board itself may request a written advisory opinion from the Attorney General interpreting the Ethics Act. A former board member may also request a written advice from the Attorney General. These opinions are confidential. Versions of opinions without identifying information may be made available to the public.

REPORTS BY THIRD PARTIES (AS 39.52.230)

A third party may report a suspected violation of the Ethics Act by a board member in writing and under oath to the chair of a board or commission. The chair will give a copy to the board member and to the Attorney General and review the report to determine whether a violation may or does exist. If the chair determines a violation exists, the board member will be asked to refrain from deliberating, voting, or participating in the matter.

Complaints, Hearings, and Enforcement

COMPLAINTS (AS 39.52.310-330)

Any person may file a complaint with the Attorney General about the conduct of a current or former board member. Complaints must be written and signed under oath. The Attorney General may also initiate complaints based on information provided by a board. A copy of the complaint will be sent to the board member who is the subject of the complaint and to the Personnel Board.

All complaints are reviewed by the Attorney General. If the Attorney General determines that the complaint does not warrant investigation, the complainant and the board member will be notified of the dismissal. The Attorney General may refer a complaint to the board member's chair for resolution.

After investigation, the Attorney General may dismiss a complaint for lack of probable cause to believe a violation occurred or recommend corrective action. The complainant and board member will be promptly notified of this decision.

Alternatively, if probable cause exists, the Attorney General may initiate a formal proceeding by serving the board or commission member with an accusation alleging a violation of the Ethics Act. Complaints or accusations may also be resolved by settlement with the subject.

CONFIDENTIALITY (AS 39.52.340)

Complaints and investigations prior to formal proceedings are confidential. If the Attorney General finds evidence of probable criminal activity, the appropriate law enforcement agency shall be notified.

HEARINGS (AS 39.52.350-360)

An accusation by the Attorney General of an alleged violation may result in a hearing. An administrative law judge from the state's Office of Administrative Hearings serves as hearing officer and determines the time, place and other matters. The parties to the proceeding are the Attorney General, acting as prosecutor, and the accused public officer, who may be represented by an attorney. Within 30 days after the hearing, the hearing officer files a report with the Personnel Board and provides a copy to the parties.

PERSONNEL BOARD ACTION (AS 39.52.370)

The Personnel Board reviews the hearing officer's report and is responsible for determining whether a violation occurred and for imposing penalties. An appeal may be filed by the board member in the Superior Court.

PENALTIES (AS 39.52.410-460)

When the Personnel Board determines a board member has violated the Ethics Act, it will order the member to refrain from voting, deliberating, or participating in the matter. The Personnel Board may also order restitution and may recommend that the board member be removed from the board or commission. If a recommendation of removal is made, the appointing authority will immediately remove the member.

If the Personnel Board finds that a former board member violated the Ethics Act, it will issue a public statement about the case and will ask the Attorney General to pursue appropriate additional legal remedies.

State grants, contracts, and leases awarded in violation of the Ethics Act are voidable. Loans given in violation of the Ethics Act may be made immediately payable.

Fees, gifts, or compensation received in violation of the Ethics Act may be recovered by the Attorney General.

The Personnel Board may impose a fine of up to \$5,000 for each violation of the Ethics Act. In addition, a board member may be required to pay up to twice the financial benefit received in violation of the Ethics Act.

Criminal penalties are in addition to the civil penalties listed above.

DEFINITIONS (AS 39.52.960)

Please keep the following definitions in mind:

Benefit - anything that is to a person's advantage regardless financial interest or from which a person hopes to gain in any way.

Board or Commission - a board, commission, authority, or board of directors of a public or quasi-public corporation, established by statute in the executive branch, including the Alaska Railroad Corporation.

Designated Ethics Supervisor - the chair or acting chair of the board or commission for all board or commission members and for executive directors; for staff members, the executive director is the designated ethics supervisor.

Financial Interest - any property, ownership, management, professional, or private interest from which a board or commission member or the board or commission member's immediate family receives or expects to receive a financial benefit. Holding a position in a business, such as officer, director, partner, or employee, also creates a financial interest in a business.

Immediate Family - spouse; another person cohabiting with the person in a conjugal relationship that is not a legal marriage; a child, including a stepchild and an adoptive child; a parent, sibling, grandparent, aunt, or uncle of the person; and a parent or sibling of the person's spouse.

Official Action - advice, participation, or assistance, including, for example, a recommendation, decision, approval, disapproval, vote, or other similar action, including inaction, by a public officer.

Personal Interest - the interest or involvement of a board or commission member (or immediate family) in any organization or political party from which a person or organization receives a benefit.

For further information and disclosure forms, visit our Executive Branch Ethics web site or please contact:

State Ethics Attorney
Alaska Department of Law
1031 West 4th Avenue, Suite 200
Anchorage, Alaska 99501-5903
(907) 269-5100
attorney.general@alaska.gov

Revised 9/2013

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Department of Law

Executive Branch Ethics Act

Responsibilities of Designated Ethics Supervisors for Boards and Commissions

Boards and commissions subject to the Ethics Act have designated ethics supervisors. The chair serves as the designated ethics supervisor for board or commission members and the executive director. The executive director is the designated ethics supervisor for staff. The designated ethics supervisor for a chair is the governor, who has delegated this responsibility to Guy Bell, Administrative Director of the Office of the Governor.

Designated ethics supervisors should refer to the Manual for Designated Ethics Supervisors (April 2008), available from the state ethics attorney, regarding their responsibilities under the Ethics Act. Briefly, as designated ethics supervisor, you must --

1. Ensure that members and employees are provided copies of the guides, Ethics Information for Members of Boards and Commissions and Ethics Act Procedures for Boards and Commissions -- and keep a supply of disclosure forms.
 1. These guides, other educational materials, disclosure forms, statutes and regulations are available for review and copying on the Department of Law ethics web site. If access to this page is not available, please contact the Attorney General's office at 269-7195.
2. Review all disclosures, investigate potential ethics violations, make determinations regarding conduct, and take action.
3. Keep member or employee disclosure statements (of potential violations, receipt of gifts, and interests in grants/contracts/leases/loans) on file in your office. Disclosure of a gift received from another government must be forwarded to the Office of the Governor.
4. Submit an ethics report to the Department of Law in April, July, October and January for the preceding quarter. You will receive a reminder. There is a sample report on the ethics web page.
 1. Mail, email or fax to Kim Halstead, Litigation Assistant, Department of Law, Opinions, Appeals & Ethics Section, 1031 W. 4th Avenue, Suite 200, Anchorage, AK, 99501, ethicsreporting@alaska.gov, fax no. 907-279-2834.

You may request ethics advice from your agency's Assistant Attorney General or from the State Ethics Attorney, Jon Woodman, at 269-5100 or jonathan.woodman@alaska.gov. Please direct questions about reporting procedures to Kim Halstead at 269-7195 or kimberly.halstead@alaska.gov.

6/14

Department of Law attorney.general@alaska.gov P.O. Box 110300, Juneau, AK 99811-0300
Phone: 907-465-3600 Fax: 907-465-2075 TTY: 907-258-9161
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**CONTINUING EDUCATION
STATEMENT**

**INTRODUCE NEW
BOARD MEMBERS**

**REVIEW / APPROVE PAST
MEETING MINUTES**

1 STATE OF ALASKA
2 DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC DEVELOPMENT
3 DIVISION OF CORPORATIONS, BUSINESS, & PROFESSIONAL LICENSING

4 BOARD OF CERTIFIED REAL ESTATE APPRAISERS

5
6 MINUTES OF THE BOARD MEETINGS

7 Wednesday, March 24th, 2021

8
9 *These are DRAFT minutes prepared by the staff of the Division of Corporations, Business, and*
10 *Professional Licensing.*

11
12 *These minutes have not been reviewed or approved by the Board.*

13
14 By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a
15 scheduled meeting of the Board of Certified Real Estate Appraisers was held via videoconference on
16 Wednesday, March 24, 2021.

17
18
19 **Agenda Item #1** **Call to Order/Roll Call**

20
21 The meeting was called to order at 10:05a.m. by Ashlee Stetson.

22
23 Those present, constituting a quorum of the Board:

24 Ashlee Stetson, Chair

25 Mae Hayes

26 Val Kudryn

27
28 Division Staff present in the meeting:

29
30 Joe Bonnell, Records and Licensing Supervisor

31 Christianne Carrillo, Licensing Examiner

32 Autumn Miller, Investigator

33 Melissa Dumas, Admin Operations Manager

34
35 **Agenda Item #2** **Review/Approve Agenda**

- 36
37
 - Ms. Stetson asked the board to review the agenda.

38
39 **On a motion made by Ms. Mae Hayes, seconded by Mr. Val Kudryn, and passed**
40 **unanimously, it was RESOLVED to APPROVE the agenda as written.**

Board Member	Approve	Deny	Refrain
Mae Hayes	X		
Val Kudryn	X		
Ashlee Stetson	X		

41

42 **Ethics Report:**

43

- There were none.

45

46 **Continuing Education Statement**

47

- The Chair explained that their program allows licensees who attend board meetings and asked if there was anyone on the line to receive their credits.
- There were no one from the public present.
- Board members may receive CE Credits. Mae Hayes and Val Kudryn both will receive CE Credits for attending the Board Meeting.

53

54 **Agenda Item #2 Introduce New Board Member/Staff**

55

- Ashlee Stetson, Mae Hayes and Val Kudryn, introduced themselves as board members.
- Joe Bonnell, and Christianne Carrillo introduced themselves as State of Alaska staff.

58

59 **Agenda Item #3 Review / Approve Meeting Minutes**

60

- There were no changes.

62

63 **On a motion made by Mae Case, seconded by Renee Piszczek, and passed unanimously, it**
 64 **was RESOLVED to approve October 27, 2020 Board Meeting Minutes as written.**

65

Board Member	Approve	Deny	Refrain
Mae Hayes	X		
Val Kudryn	X		
Ashlee Stetson	X		

66

67 **Agenda Item #4 Public Comment**

68

- There was no public comment.

70

71 *Autumn Miller entered the teleconference at 10:24am.*

72 **Agenda Item #5** **Investigative Report**

73

- 74 • Ms. Autumn Miller presented that five cases were open and eight cases were closed for
- 75 the investigative report from October 22, 2020 through March 10, 2021.

76

77 *Autumn Miller left the teleconference at 10:28am.*

78 *Melissa Dumas entered the teleconference at 10:29am.*

79

80 **Agenda Item #6** **Division Update**

81

- 82 • Ms. Dumas presented the FY21 board report to the Board.
- 83 • The Board’s total revenue was \$30,520.00.
- 84 • Ms. Dumas clarified some questions that new board members had.

85

86 *Melissa Dumas entered the teleconference at 10:44am.*

87

88 **Agenda Item #7** **Statute Regulation Update**

89

- 90 • Joe Bonnell shared an attachment about open meetings during legislative session.
- 91 • Mr. Joe Bonnell presented regulation project for Ms. Sher Zinn.
- 92 • It has gone through law and the Lt. Governor’s office and has been signed. The effective
- 93 date is April 8, 2021 and a late April estimation for the statute to be changed online.
- 94 • Most of the changes by law were mostly language. The largest change was about
- 95 “substantive cause” since it is not in Alaska statute.

96

97 **Agenda Item #8** **Lunch**

98

- 99 • The Board decided to skip lunch.

100

101 **Agenda Item #9** **Staff Report**

102

103 **Grant Availability from ASC:**

- 104 • Mr. Bonnell shared with the board that there is a grant from ASC that was awarded to
- 105 the state.
- 106 • The grant money can be used for software that would tie programs together.

107

108

109

110 **Valuation and Fairness Act of 2021:**

- 111 • Mr. Bonnell reported that there is a bill being worked on to make an effort to ensure
112 there is racial equality.

113
114 **AMC Program Update:**

- 115 • Joe Bonnell presented a progress report for AMC.
116 • Mr. Bonnell listed common areas where AMCs are missing information and
117 mentioned it is the biggest delay in processing application.
118 • The Board was advised to narrow the requirements as contained in 12 AAC
119 02.370(b)(4) as a future regulation project.
120 • Mr. Bonnell showed the board there it was used in the AMC applications used by the
121 State of Alaska.
122 • The Chair shared that the word “employee” in the statute is something she feels
123 should be changed and cleaned up.

124
125 **2021 License Renewals:**

- 126 • Mr. Bonnell guided the Board on the renewal process.
127 • There was mention of a drop in the number renewals from other programs.

128
129 **Agenda Item #10 Board Business**

130
131 **Approve Pending Applications:**

- 132 • There were none.

133
134 **Continuing Education, Synchronous:**

- 135 • The Board decided to split up the CE to be voted on by 5 and to be assigned to the
136 board members by the OLE.

137
138 **2021 Annual Report:**

- 139 • Chairwoman Ms. Stetson tasked herself to perform the annual report.

140
141 **Schedule Next Meeting:**

- 142 • The next board meeting was scheduled for June 9th, 2021.

143
144 **Agenda Item #11 Adjourn**

145
146 **On a motion made by Val Kudryn, seconded by Mae Hayes, and passed unanimously, it**
147 **was RESOLVED to APPROVE the agenda as written.**

Board Member	Approve	Deny	Refrain
Mae Hayes	X		
Val Kudryn	X		
Ashlee Stetson	X		

148

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151 *Off Record: 12:47pm.*

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157 Respectfully Submitted,

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Joseph Bonnell, Licensing Examiner

David Derry, Chair

DRAFT

PUBLIC COMMENT

INVESTIGATIONS



MEMORANDUM

DATE: May 26, 2021
 TO: Board of Certified Real Estate Appraisers
 THRU: Greg Francois, Chief Investigator
 FROM: Erika Prieksat, Investigator
 RE: Investigative Report for the June 09, 2021 Meeting

The following information was compiled as an investigative report to the Board for the period of March 11, 2021 thru May 26, 2021; this report includes cases, complaints, and intake matters handled since the last report.

Matters opened by the Paralegals in Anchorage and Juneau, regarding continuing education audits and license action resulting from those matters are covered in this report.

OPEN - 6

<u>Case Number</u>	<u>Violation Type</u>	<u>Case Status</u>	<u>Status Date</u>
REAL ESTATE APPRAISER			
2021-000397	Violation of licensing regulation	Intake	05/06/2021
2018-001318	Violation of licensing regulation	Monitor	06/30/2020
2018-001336	Incompetence	Monitor	06/30/2020
2019-001261	Violation of licensing regulation	Investigation	10/22/2020
2019-001402	Incompetence	Investigation	10/05/2020
2020-001092	Continuing education	Investigation	03/10/2021

Closed - 1

<u>Case #</u>	<u>Violation Type</u>	<u>Case Status</u>	<u>Closed</u>	<u>Closure</u>
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REAL ESTATE APPRAISER

END OF REPORT

Overview of the Board and Division (Investigation Unit) functions:

The Board or Commission's primary function is that of a regulatory body that makes licensure decisions and monitors compliance with the statute and regulations governing the profession. The professional statutes and regulations are found in centralized statutes of Title 8, and also in the statutes and regulations specific to each board, commission, or occupational area.

Complaints:

All written complaints, or reports, alleging a violation of statute or regulations should provide a specific and detailed summary of the complaint; the complainant must include any documentation or witnesses they feel supports the allegation of wrongdoing and, in healthcare complaints, a release for patient records.

Upon receipt, the complaint and evidence are reviewed by investigators to ensure jurisdiction over the person named in the complaint and the alleged violation by that person. This review takes into account, informal guidelines established by the Board or Commission, and the statutes and regulations of that specific practice area. If the complaint does not appear to allege a violation that is within the Board's jurisdiction, the Division may close the complaint. If the complaint does center on a violation that is within the Board's jurisdiction, an initial letter may be sent to the licensee against whom the complaint is filed. This letter provides notice of the complaint and allegations and may request records, an interview, or other response by the licensee.

Complaints that present an immediate threat to public safety are given priority; however, all complaints are investigated as quickly as possible. The steps taken in the investigation are determined on a case by case basis by the specifics of the allegations. This portion of the investigative process may be quite lengthy and may require additional information or evidence from the complainant, licensee, businesses, other governmental agencies or state boards, witnesses, or related parties.

Inquiry and Investigation:

The Investigators conduct an inquiry into the complaint; generally, the steps for an inquiry include the following:

- obtaining records, documentation and evidence related to the complaint;
- locating and interviewing the complainant, the client, the subject and any witnesses;
- drafting and serving subpoenas for necessary information.

After investigators have gathered pertinent information or evidence to prove or disprove an alleged violation, the matter is reviewed with the Chief Investigator and, when appropriate, the Board or Commission's liaison, a panel of two Board Members, or an expert in the field. This review may result in a recommendation that more information be obtained, the case be closed, or that the case continue forward. The Board's liaison or review panel does not determine guilt or innocence; it simply reviews the complaint to determine whether the allegations, supported by un-contested or sufficient evidence, would warrant proceeding with disciplinary action even if contested by the licensee.

If the complaint is supported by evidence, it proceeds to a case, or investigation. Once an investigation is opened, the licensee is notified they are under official investigation by the Division on behalf of the Board or Commission. This distinguishes between allegations brought against a licensee and a matter where allegations were brought and it was determined the licensee committed a violation of statutes or regulations governing their license. This is an important step because complaints can be unfounded or determined to be unsupported by evidence, and they are closed before becoming an official investigation, protecting the subject of the complaint from unwarranted repercussions in the community or area of practice. If a violation is supported by evidence and the matter proceeds to an investigation, the next step is determining an appropriate result.

Disposition of Cases:

The majority of cases are resolved through a Consent Agreement, an amicable settlement of a case short of a public hearing; this Agreement spells out agreed upon disciplinary action between the Board and the licensee and allows more options in achieving a balanced resolution for both parties.

The Consent Agreement is written by the Division, in consultation with a Reviewing Board or Commission Member; they consider the nature of the violation, the standard in effect at the time it was violated, the effect of the violation on the public and the profession, whether the respondent was knowing and willful, previous violations, whether the licensee was cooperative and took responsibility for the violation, any mitigating circumstances, the disciplinary action's effect on improving the licensee's practices, precedents set by other cases for consistency from case to case, and if appropriate, a necessary deterrent for other practitioners to avoid a similar violation.

Consent Agreements may involve any of the following:

- reprimand
- revocation
- assessment of a civil penalty (fine)
- suspension (for a specific period of time)
- probation
- condition to take additional Continuing Education over and above the annual requirement
- restrictions on practice (some Boards)

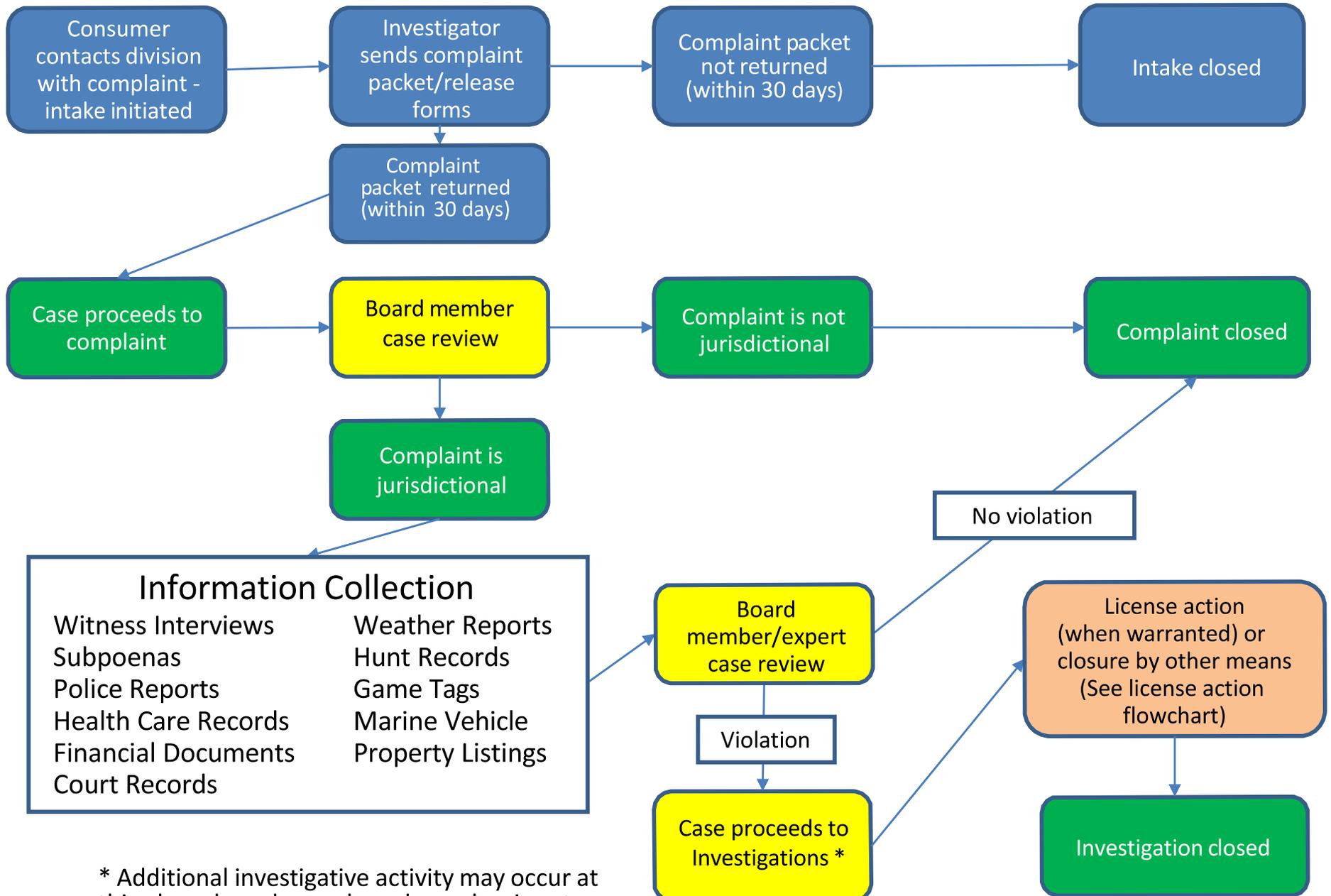
If an Agreement with the licensee is unsuccessful, the case is referred to the investigators' counsel, an Assistant Attorney General (AAG), for review and possible litigation, filing an Accusation charging the violations. If an Accusation is filed, the licensee is entitled to a hearing on the charges against them. After guidance from the Board or Commission and the Division, the AAG may approach the licensee to negotiate a settlement prior to a hearing. If a settlement cannot be reached, an administrative hearing will be held. All involved parties may be requested to appear and testify at the hearing, conducted by the Office of Administrative Hearings (OAH). After the hearing, OAH provides the Board or Commission with a proposed decision and order; the Board or Commission may adopt, amend, or reject the proposed decision and issue their own Decision and Order. Any Decision and Order adopted by the Board or Commission may be appealed to the Superior Court by the licensee.

The Division does not intervene in a dispute regarding the fees charged by a licensee. Disciplinary action is considered carefully on a case-by-case basis since the action may adversely affect the licensee reputation and ability to make a living. Therefore, it takes more than a claim of wrongdoing to file a complaint with the Board; the allegation must be substantiated and must be jurisdictional to the statutes and regulations of that Board or practice area.

Confidentiality:

Investigations are required by statute to be kept confidential. This often prevents the complainant, licensee, and the Board from obtaining progress reports or information that may disclose the current status of an open investigation. This also protects the reputation of licensees who may be accused of wrongdoing but the allegations against them are unproven. Cases often involve other agencies, businesses, and practices; disclosing information during an on-going case can compromise the investigation, create conflicts for reviewing Board members, or result in unnecessary hardship to the licensee.

Investigative Process



* Additional investigative activity may occur at this phase based upon board member input.

Board/Commission License Action Options

Circumstance	Response/Options
<p>Cease and Desist Order On notice of possible violation, the Commissioner may, if in public's interest, issue Cease and Desist Order. AS 08.01.087(b). The board is polled for objection.</p>	<p>Board can object. Must be majority, within 10 days.</p>
<p>Summary Suspension Investigation shows "clear and immediate threat to public health and safety", Division presents petition for summary suspension.</p>	<p>Board issues summary suspension; hearing to follow within 7 days. AS 08.01.075(c) Post-hearing there is a proposed decision (from a judge), requires adoption by board.</p>
<p>License Denial</p>	<p>Board issues or denies license based on Alaska statutes specific to the profession. Possible hearing if license is denied, proposed decision, and final adoption by board.</p>
<p>Consent Agreement Investigation Unit presents a Consent Agreement, either before or after an Accusation is filed.</p>	<p>Board may approve or reject. If board rejects Consent Agreement, further negotiations may follow or a hearing may be held.</p>
<p>Accusation Investigation informed by the professional opinion of a Reviewing Board Member leads to filing an Accusation; if requested, hearing follows, decision goes to board with proposals for action from both parties, if any.</p>	<p>Board determines whether to accept, reject, or modify proposed decision and determine which sanctions to impose. AS 08.01.075</p>
<p>Violation of Consent Agreement: Automatic Suspension Board is informed of violation warranting immediate suspension under terms of Consent Agreement.</p>	<p>Division initiates suspension (per delegated authority) within Consent Agreement. Hearing possible, after which the board considers proposed ALJ decision, and adopts, rejects or amends.</p>

REGULATION UPDATE

Sec. 08.87.120. Continuing education requirements for renewal of certificate. (a) The board may not renew a certificate issued under this chapter unless the person applying for renewal presents evidence satisfactory to the board that the person has, within the two years preceding the application for renewal, attended classroom instruction, as required by the board in regulation, in courses or seminars that have received the approval of the board.

(b) The board may grant credit toward some or all of the requirements of (a) of this section to a person who has

- (1) successfully completed a program of study determined by the board to be equivalent for continuing education purposes to a course or seminar approved by the board for continuing education credit; or

- (2) participated, other than as a student, in educational programs that related to real estate analysis or real property appraisal theory, practice, or technique, including teaching, program development, and preparation of textbooks, monographs, articles, and other instructional materials.

(c) The board shall adopt regulations on continuing education to ensure that persons applying for renewal of certificates have thorough knowledge of current theories, practices, and technique of real estate analysis and appraisal. The regulations must provide for

- (1) procedures for the sponsor of a course or seminar to apply for board approval for continuing education credit; the regulations must require the sponsor to show that claimed attendance at a course or seminar can be verified; and

- (2) procedures for evaluating equivalency claims for applicants for certificate renewal under (b) of this section.

(d) In considering whether to approve courses and seminars under this section, the board shall give special consideration to courses, seminars, and other appraisal education programs developed by or under the auspices of organizations or associations of professional real estate appraisers that are utilized by those organizations or associations for the purposes of awarding real estate appraisal designations or of indicating compliance with the continuing education requirements of the organizations or associations.

(e) An amendment or repeal of a regulation adopted by the board under this section may not operate to deprive a person holding a certificate under this chapter of credit toward renewal of the person's certificate for a course of instruction or seminar that had been completed by the person before the amendment or repeal of the regulation.

12 AAC 70.210. APPROVED CONTINUING EDUCATION COURSES AND SEMINARS. (a) To be approved by the board, the primary focus of a continuing education course or seminar must be directly related to the theories, concepts, principles, practices, techniques, methods, or problems applicable to one or more aspects of real property appraisal.

(b) The board will approve a course or seminar on the following topics if the course or seminar meets the requirements of (a) of this section:

- (1) repealed 9/14/2012;
- (2) construction cost estimating;
- (3) ethics and standards of professional appraisal practice;
- (4) land use planning, zoning, and taxation;
- (5) property development;
- (6) real estate appraisal, including valuations and evaluations;
- (7) real estate financing and investment;
- (8) real estate law;
- (9) real estate litigation;
- (10) real estate appraisal related computer applications;
- (11) other topics related to real estate appraisal that are approved by the board.

(c) In addition to the courses approved by the board under 12 AAC 70.200, the following courses are approved for continuing education when they are consistent with (a) of this section and an application provided by the department for course approval is submitted with the appropriate application fee and is approved by the board:

- (1) courses offered by a member organization of The Appraisal Foundation;
- (2) courses offered by a regionally accredited junior college, college, or university;
- (3) courses approved by the Appraiser Qualifications Board Course Approval Program of the Appraisal Foundation; or
- (4) distance education courses approved by the International Distance Education Certification Center (IDECC).

(d) To be approved by the board, a continuing education course or seminar must include a minimum of two classroom hours, that meet the requirements of (a) of this section.

(e) The board will award continuing education credit for completion of a course by distance education if the course meets the requirements of 12 AAC 70.140(f).

(f) Course and seminar approval under this section is valid for three years from the date of approval.

(g) Consistent with Appraiser Qualification Criteria in *The Real Property Appraiser Qualification Criteria*, adopted by reference in 12 AAC 70.140, the board will award continuing education credit for participation in one in-person or teleconference board meeting each biennial licensing period if participation meets the requirements of this section:

- (1) the participant is a certified real estate appraiser subject to the requirements of 12 AAC 70.220;
- (2) the board meeting is a minimum of two hours;
- (3) the hours claimed for participation do not exceed seven hours;
- (4) attendance is maintained throughout the duration of the scheduled meeting;
- (5) participation is documented on a form provided by the department and returned to the board.

Authority: AS 08.87.020 AS 08.87.120

12 AAC 70.215. APPROVED ONLINE COURSES. (a) To be approved by the board to meet the continuing education requirements of 12 AAC 70.220, the primary purpose of an online course must be directly related to the theories, concepts, principles, practices, techniques, methods, or problems applicable to one or more aspects of real property appraisal.

(b) The board will approve an online course on the following topics if the online course meets the requirements of (a) of this section:

- (1) repealed 6/28/2015;

- (2) construction cost estimating;
 - (3) ethics and standards of professional appraisal practice;
 - (4) land use planning, zoning, and taxation;
 - (5) property development;
 - (6) real estate appraisal, including valuations and evaluations;
 - (7) real estate financing and investment;
 - (8) real estate law;
 - (9) real estate litigation;
 - (10) real estate appraisal related computer applications;
 - (11) other topics related to real estate appraisal that are approved by the board.
- (c) In addition to the online courses approved by the board under (b) of this section, the following online courses are approved for continuing education if they are consistent with (a) of this section:
- (1) courses presented by a regionally accredited junior college, college, or university that offers distance education programs in other disciplines;
 - (2) repealed 1/16/2005;
 - (3) distance education courses approved by the Appraiser Qualifications Board Course Approval Program of the Appraisal Foundation;
 - (4) repealed 6/28/2015.

Authority: AS 08.87.020 AS 08.87.120

- 12 AAC 70.220. HOURS OF CONTINUING EDUCATION REQUIRED.** (a) At the time of certificate renewal, an applicant for renewal who has been certified for
- (1) 24 months or more shall document satisfactory completion of at least 28 hours of continuing education during the concluding licensing period;
 - (2) at least 185 days, but less than 24 months, shall document satisfactory completion of at least 14 hours of continuing education during the concluding licensing period;
 - (3) less than 185 days is not required to meet continuing education requirements for that renewal.
- (b) The board will not recognize continuing education hours claimed by an applicant for renewal for taking the same, or substantially identical, course more than once during a certification period.
- (c) Except as provided in (d) of this section, credit is given for classroom and examination hours only and not for hours devoted to class preparation or completion of assignments. A classroom hour is defined in 12 AAC 70.910.
- (d) Up to one-half of the hours required by this section may be obtained through distance education approved under 12 AAC 70.210 or online courses approved under 12 AAC 70.215.
- (e) As part of the requirements of (a)(1) of this section, an applicant for renewal of a certificate shall document satisfactory completion of a seven-hour National USPAP Update Course, taught by an Appraiser Qualifications Board certified instructor who is a certified appraiser. The board will accept courses determined as equivalent by the Appraiser Qualifications Board Course Approval Program of the Appraisal Foundation. Completion of the 15-hour national USPAP course used for certification under 12 AAC 70.115 may not be used to satisfy the continuing education renewal requirements of the seven-hour USPAP Update Course required in this subsection.
- (f) During the licensing period of July 1, 2019 to June 30, 2021, an unlimited number of the hours required by this section may be obtained through distance education described in (d) of this section.

Authority: AS 08.87.020 AS 08.87.120

Editor's note: A list of certified instructors by the Appraisal Foundation, Appraiser Qualification Board, may be obtained from the Appraisal Foundation, 1155 15th Street, N.W., Suite 1111, Washington, D.C. 20005.

(h) Notwithstanding (a) – (c) of this section, the board may issue a general or residential real estate appraiser certificate to a person who does not meet the requirements of (a) – (c) of this section and who

- (1) applies on a form required by the department;
- (2) pays the required fee; and
- (3) successfully completes the National Uniform Licensing and Certification Examination issued or endorsed by the Appraiser Qualifications Board of the Appraisal Foundation, has previous real estate appraiser experience acceptable to the board, or successfully completes courses approved by the board.

Sec. 08.87.120. Continuing education requirements for renewal of certificate. (a) The board may not renew a certificate issued under this chapter unless the person applying for renewal presents evidence satisfactory to the board that the person has, within the two years preceding the application for renewal, attended classroom instruction, as required by the board in regulation, in courses or seminars that have received the approval of the board.

(b) The board may grant credit toward some or all of the requirements of (a) of this section to a person who has

- (1) successfully completed a program of study determined by the board to be equivalent for continuing education purposes to a course or seminar approved by the board for continuing education credit; or
- (2) participated, other than as a student, in educational programs that related to real estate analysis or real property appraisal theory, practice, or technique, including teaching, program development, and preparation of textbooks, monographs, articles, and other instructional materials.

(c) The board shall adopt regulations on continuing education to ensure that persons applying for renewal of certificates have thorough knowledge of current theories, practices, and technique of real estate analysis and appraisal. The regulations must provide for

- (1) procedures for the sponsor of a course or seminar to apply for board approval for continuing education credit; the regulations must require the sponsor to show that claimed attendance at a course or seminar can be verified; and

- (2) procedures for evaluating equivalency claims for applicants for certificate renewal under (b) of this section.

(d) In considering whether to approve courses and seminars under this section, the board shall give special consideration to courses, seminars, and other appraisal education programs developed by or under the auspices of organizations or associations of professional real estate appraisers that are utilized by those organizations or associations for the purposes of awarding real estate appraisal designations or of indicating compliance with the continuing education requirements of the organizations or associations.

(e) An amendment or repeal of a regulation adopted by the board under this section may not operate to deprive a person holding a certificate under this chapter of credit toward renewal of the person's certificate for a course of instruction or seminar that had been completed by the person before the amendment or repeal of the regulation.

ARTICLE 3.

REAL ESTATE APPRAISAL MANAGEMENT COMPANIES.

Section

130. Registration required

135. Requirements for registration of real estate appraisal management companies

140. Mandatory reporting

145. Statement of fees

150. Retention of records and inspection

155. Reporting requirements for federally regulated real estate appraisal management companies

160. Exemptions

Sec. 08.87.130. Registration required. (a) A person shall register as a real estate appraisal management company with the board to perform appraisal management services if the person

- (1) provides an appraisal management service

- (A) to a creditor or secondary mortgage market participant, including an affiliate; and

- (B) in connection with valuing a borrower's principal dwelling as security for a consumer credit transaction or incorporating consumer credit transactions into a securitization; and

- (2) oversees an appraiser panel.

(b) A person is guilty of a class B misdemeanor if the person engages in business as or holds out as a real estate appraisal management company, or performs or attempts to perform appraisal management services, at a time when the

- (1) person does not hold a registration issued by the board; or

- (2) registration issued by the board to the person is suspended, revoked, lapsed, or surrendered.

Sec. 08.87.135. Requirements for registration of real estate appraisal management companies. (a) The board shall register a real estate appraisal management company operating in the state if the company applies on a form

approved by the board, pays the fee required under AS 08.01.065, and presents evidence satisfactory to the board that the company

(1) has designated a controlling person who will be the main point of contact between the board and the company and who meets the requirements under (b) of this section;

(2) has, if the company is not a corporation that is domiciled in this state, filed with the department a written consent to service of process on a resident of this state for any court action arising from an activity regulated under this chapter or 12 U.S.C. 3331 – 3355 and provided the name and contact information for the company’s agent for service of process in this state;

(3) requires a real estate appraiser to comply with the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation when completing appraisals at the company’s request;

(4) engages only appraisers who are certified under this chapter;

(5) has a process to verify that a person who is assigned to serve on an appraiser panel of the company

(A) is certified under this chapter and maintains a certification in good standing; and

(B) is qualified to conduct federally related transactions under federal law; in this subparagraph, “federally related transaction” means a real estate related transaction that involves an insured depository institution regulated by the United States Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the National Credit Union Administration and requires the services of a real estate appraiser under the interagency appraisal rules;

(6) conducts appraisals independently and free from inappropriate influence and coercion as required under 12 U.S.C. 3353;

(7) is not directly or indirectly owned in whole or in part by a person that has had a certificate to act as a real estate appraiser denied, cancelled, suspended, revoked, put on probation, or surrendered in lieu of a pending revocation in any state unless the person has later had a certificate to act as a real estate appraiser granted or reinstated by the same state;

(8) has posted a surety bond in an amount required by the board, not to exceed \$50,000; and

(9) is owned by persons who meet the requirements under (c) of this section.

(b) A controlling person designated under (a) of this section

(1) must be actively certified in a state as a real estate appraiser at all times that the person is designated as a controlling person;

(2) may not have had a certificate to act as a real estate appraiser denied, cancelled, suspended, revoked, put on probation, or surrendered in lieu of a pending revocation in any state unless the person has later had the certificate to act as a real estate appraiser granted or reinstated; and

(3) must be of good moral character.

(c) A person who owns at least 10 percent of a real estate appraisal management company required to be registered under this chapter must be of good moral character as determined by the board and shall submit to a background investigation conducted by the board.

(d) The board shall provide a copy of a registration under this section to the Appraisal Subcommittee established under 12 U.S.C. 3310 on a form approved by the subcommittee.

(e) A registration under this section is valid for two years and may be renewed upon proof of continued compliance with the requirements of (a) – (c) of this section.

Sec. 08.87.140. Mandatory reporting. A real estate appraisal management company or a controlling person, employee, director, officer, or agent of a real estate appraisal management company that has reasonable cause to believe that a real estate appraiser has failed to comply with the Uniform Standards of Professional Appraisal Practice as adopted under 12 U.S.C. 3339 in a manner that materially affects a valuation appraisal shall report the noncompliance to the board and to the Appraisal Subcommittee established under 12 U.S.C. 3310.

Sec. 08.87.145. Statement of fees. (a) When reporting to a borrower, an appraisal management company shall separately state the fees

(1) paid to an appraiser for the completion of an appraisal; and

(2) charged to the borrower for appraisal management services by the appraisal management company.

(b) An appraisal management company may not include any fees for appraisal services listed in (a)(1) of this section as charges for an appraisal management service listed in (a)(2) of this section.

Sec. 08.87.150. Retention of records and inspection. A registered real estate appraisal management company or a real estate appraisal management company that has applied for registration shall allow the board to inspect and shall retain, for not less than the later of either five years after the date a file is submitted to the company or two years after final disposition of a related judicial proceeding,

(1) copies of all records related to requests for the company’s appraisal management services and the real estate appraisers who perform the appraisals;

(2) a written record of all substantive communications between a real estate appraisal management company registered under this chapter and a real estate appraiser relating to an appraisal or participation in an appraiser panel.

Sec. 08.87.155. Reporting requirements for federally regulated real estate appraisal management companies. (a) A real estate appraisal management company that is owned and controlled by an insured depository institution as defined in 12 U.S.C. 1813 and regulated by the United States Comptroller of the Currency, the Board of Governors of the Federal Reserve System, or the Federal Deposit Insurance Corporation, shall annually submit to the board information that the board is required to submit to the Appraisal Subcommittee established under 12 U.S.C. 3310, including a

- (1) report of intent to operate in the state; and
- (2) disclosure of whether the company is directly or indirectly owned in whole or in part by any person that has had a certificate to act as a real estate appraiser denied, cancelled, suspended, revoked, put on probation, or surrendered in lieu of a pending revocation in any state.

(b) If a person has had disciplinary action taken against the person under (a)(2) of this section, the board shall collect information related to whether the certificate to act as a real estate appraiser was denied, cancelled, suspended, revoked, put on probation, or surrendered in lieu of a pending revocation for a substantive cause and whether the person has later had the certificate to act as a real estate appraiser reinstated by the same state.

Sec. 08.87.160. Exemptions. AS 08.87.130 – 08.87.150, 08.87.215, and 08.87.220 do not apply to a

- (1) person who is employed by a department or division of an entity that provides appraisal management services only to that entity;
- (2) real estate appraisal management company that is
 - (A) owned and controlled by an insured depository institution; and
 - (B) regulated by the Consumer Financial Protection Bureau, the Federal Housing Finance Agency, the Board of Governors of the Federal Reserve system, the Federal Deposit Insurance Corporation, the United States Comptroller of the Currency, or the National Credit Union Administration; or
- (3) real estate appraiser who enters into an agreement with another real estate appraiser for the performance of an appraisal that upon completion results in a report signed by both the real estate appraiser who completed the appraisal and the real estate appraiser who requested completion of the appraisal.

ARTICLE 4. PROHIBITED PRACTICES AND DISCIPLINARY PROCEEDINGS.

Section

- 200. Prohibited practices**
- 210. Disciplinary proceedings**
- 215. Prohibited practices; real estate appraisal management companies**
- 220. Disciplinary proceedings; real estate appraisal management companies**

Sec. 08.87.200. Prohibited practices. A certified real estate appraiser may not

- (1) act negligently or incompetently or fail without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report, or communicating an appraisal;
- (2) wilfully disregard or violate a provision of this chapter or of a regulation adopted by the board under this chapter;
- (3) fail to comply with the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation;
- (4) accept a fee for an appraisal assignment that is contingent upon the appraiser reporting a predetermined estimate, analysis, or opinion or upon the opinion, conclusion, or valuation reached, or upon the consequences resulting from the appraisal assignment;
- (5) knowingly make a false statement, submit false information, or fail to provide complete information in response to a question in an application for certification or for renewal of a certificate; or
- (6) violate the confidential nature of government records to which the person gains access through retention as an appraiser by the government agency.

Sec. 08.87.210. Disciplinary proceedings. The board may exercise its disciplinary powers under AS 08.01.075 if, after hearing, the board finds a certified real estate appraiser has

- (1) violated a provision of this chapter or a regulation adopted by the board under this chapter;
- (2) been convicted of a crime that involves moral turpitude; or
- (3) committed, while acting as a real estate appraiser, an act or omission involving dishonesty, fraud, or misrepresentation with the intent to benefit the appraiser or another person or to injure another person.

Sec. 08.87.215. Prohibited practices; real estate appraisal management companies. (a) A real estate appraisal management company may not, while registered in the state, retain or enter into a business relationship with an employee, contractor, or agent whose certificate to act as a real estate appraiser is denied, cancelled, suspended, revoked, put on probation, or surrendered in lieu of a pending revocation in any state unless the employee, contractor, or agent has later had a certificate to act as a real estate appraiser granted or reinstated by the same state.

- (b) A real estate appraisal management company or a controlling person, employee, director, officer, or agent of a real estate appraisal management company may not
- (1) seek to influence a real estate appraiser through intimidation, coercion, extortion, or bribery;
 - (2) condition payment of an appraisal fee on a real estate appraiser's opinion, conclusion, or valuation;
 - (3) request that a real estate appraiser report a predetermined opinion, conclusion, or valuation;
 - (4) alter, amend, or change an appraisal report submitted by a real estate appraiser without the real estate appraiser's written consent;
 - (5) require a real estate appraiser to sign an indemnification agreement for a claim that does not arise from a service performed by the real estate appraiser;
 - (6) prohibit an appraiser from recording in the body of the report submitted by the appraiser to the appraisal management company the fee that the appraiser was paid by the company for the performance of the appraisal;
 - (7) prohibit lawful communication between a real estate appraiser and any other person who the real estate appraiser determines possesses information relevant to the appraisal;
 - (8) engage in an act or practice with intent to impair a real estate appraiser's independence, objectivity, and impartiality;
 - (9) knowingly make a false statement, submit false information, or fail to provide complete information in response to a question in an application for registration or renewal of a registration; or
 - (10) violate this chapter or a regulation adopted under this chapter.

Sec. 08.87.220. Disciplinary proceedings; real estate appraisal management companies. The board may take disciplinary action under AS 08.01.075 or suspend or revoke a registration of a real estate appraisal management company if it finds that the

- (1) company or a controlling person, employee, director, officer, or agent of a real estate appraisal management company has violated a provision of this chapter or a regulation adopted by the board under this chapter;
- (2) company or a controlling person of the company has had a certificate to act as a real estate appraiser or a registration as a real estate appraisal management company denied, cancelled suspended, revoked, put on probation, or surrendered in lieu of a pending revocation in any state;
- (3) company fails to comply with the Uniform Standards of Professional Appraisal Practice under 12 U.S.C. 3339;
- (4) company performs appraisal management services in a manner that causes injury or loss to the public;
- (5) company has ceased to operate in the state as a real estate appraisal management company; or
- (6) company used fraud, deception, misrepresentation, or bribery in securing a registration under this chapter.

ARTICLE 5. GENERAL PROVISIONS.

Section

- 300. Retention of records**
- 310. Trainee appraiser; supervisory appraiser**
- 320. Actions by uncertified real estate appraisers prohibited**
- 330. Exemptions**
- 340. Appraisals by uncertified appraisers permitted**
- 900. Definitions**

Sec. 08.87.300. Retention of records. (a) A certified real estate appraiser shall retain copies of all written contracts engaging the appraiser's services for real property appraisal work, and all reports and supporting data assembled and formulated by the appraiser in preparing the reports, for at least five years after the date of the contract engaging the appraiser's services, five years after the date of the submittal of the appraisal reports to the client, or at least two years after the final disposition of litigation in which the appraiser provided testimony related to the engagement, whichever is longer.

(b) *[Repealed, Sec. 9 ch 42 SLA 2014.]*

(c) All records that a certified appraiser must maintain under (a) of this section shall be made available to the board or department for inspection and copying upon reasonable notice to the appraiser.

Sec. 08.87.310. Trainee appraiser; supervisory appraiser. The board may establish requirements for trainee appraisers and supervisory appraisers. The board shall ensure that the requirements conform with 12 U.S.C. 3345.

Sec. 08.87.320. Actions by uncertified real estate appraisers prohibited. A person may not bring an action in a court of this state for compensation for an act done or service rendered as a certified real estate appraiser if the person did not hold a certificate under this chapter at the time that the person performed the act or service or offered to perform the act or service.

Sec. 08.87.900. Definitions. In this chapter

- (1) "analysis assignment" means an analysis, opinion, or conclusion prepared by a real estate appraiser that relates to the nature, quality, or utility of certified real estate or real property;
- (2) "appraisal" means an analysis, opinion, or conclusion prepared by a real estate appraiser relating to the nature, quality, value, energy efficiency, or utility of specified interests in, or aspects of, identified real estate, and includes a valuation appraisal, an analysis assignment, and a review assignment;
- (3) "appraisal assignment" means an engagement for which an appraiser is employed or retained to act, or would be perceived by third parties or the public as acting, as a disinterested person rendering an unbiased analysis, opinion, or conclusion relating to the nature, quality, value, or utility or specified interests in, or aspects of, identified real estate;
- (4) "appraisal management services" includes the performance of any of the following functions on behalf of a lender, financial institution, or other person:
 - (A) administration of an appraiser panel;
 - (B) recruitment, retention, or selection of real estate appraisers for the performance of appraisal services;
 - (C) contracting with real estate appraisers to perform appraisals;
 - (D) review of a completed appraisal before the delivery of the appraisal or review assignment to the person that ordered the appraisal;
- (5) "appraiser panel" means a group of licensed or certified real estate appraisers who perform appraisals as independent contractors for a real estate appraisal management company;
- (6) "appraisal report" means any communication, written or oral, of an appraisal;
- (7) "board" means the Board of Certified Real Estate Appraisers;
- (8) "borrower" means a person who applies for a mortgage loan;
- (9) "company" means a real estate appraisal management company required to register under AS 08.87.130 that performs appraisal management services;
- (10) "controlling person" means a person who
 - (A) owns more than 10 percent of a real estate appraisal management company;
 - (B) is an officer or director of a real estate appraisal management company;
 - (C) is employed and authorized by a real estate appraisal management company to enter into a contractual relationship with another person for the performance of appraisal management services or with a real estate appraiser to perform an appraisal; or
 - (D) has the authority to direct the management or policies of a real estate appraisal management company;
- (11) "department" means the Department of Commerce, Community, and Economic Development;
- (12) "general real estate appraiser" means a real estate appraiser certified to appraise all types of real property;
- (13) "institutional real estate appraiser" means a real estate appraiser employed full-time by a financial institution with offices in the state;
- (14) "principal dwelling" means a residential structure or mobile home that contains one to four units but does not include a vacation or second home unless the borrower buys or builds a new dwelling that will become the primary location that the borrower inhabits within a year after the purchase or completion of construction;
- (15) "real estate" means an identified parcel or tract of land, including improvements, but excluding subsurface natural resource values;
- (16) "real property" means one or more defined interests, benefits, and rights inherent in the ownership of real estate;
- (17) "residential real estate appraiser" means a real estate appraiser certified to appraise residential real property, subject to the limitations of AS 08.87.100(2);
- (18) "review assignment" means an analysis, opinion, or conclusion prepared by a real estate appraiser that forms an opinion as to the adequacy and appropriateness of a valuation appraisal or an analysis assignment;
- (19) "valuation appraisal" means an analysis, opinion, or conclusion prepared by a real estate appraiser that estimates the value of an identified parcel of real estate, or identified real property at a particular time.

toward an applicant's required classroom hours of instruction unless the applicant has also completed sufficient courses to cover the fundamental aspects of appraisal theory, principles, and practices.

(i) The board will not award credit for more than eight classroom hours of instruction per day. If no breakdown of instructional, assignment, and examination hours is given for a course or seminar, the board will award three and one half classroom hours of instruction for the last day of the course or seminar and seven classroom hours of instruction for all other days of the course or seminar.

(j) The board will require additional information if necessary to determine if an applicant's classroom hours of instruction meet the requirements in this section.

Authority: AS 08.87.020 AS 08.87.110 AS 08.87.310

Editor's note: Copies of the Appraiser Qualification Criteria adopted by reference in 12 AAC 70.140 are available from the Appraisal Qualifications Board of the Appraisal Foundation, 1155 15th Street, NW, Suite 1111, Washington, DC 20005-3517; phone: (202) 347-7722; website at www.appraisalfoundation.org.

12 AAC 70.145. APPROVAL OF COURSE OR SEMINAR FOR INITIAL CERTIFICATION OR TRAINEE REGISTRATION. (a) The board will use the standards established in this section to determine if a course or seminar is in a subject related to real estate appraisal and will be credited toward an applicant's total classroom hours of instruction.

(b) The board will review each course or seminar submitted with an individual's application for certification or registration and approve a course or seminar that meets the requirements of this section. The board will require an applicant to submit additional information, including the information required in (e)(3) - (10) of this section, if necessary to determine if a course or seminar meets the requirements in this section.

(c) The board will review and preapprove a course or seminar that meets the requirements of this section if an individual or organization submits the course or seminar to the board for preapproval under (e) of this section.

(d) To be approved by the board, a course or seminar must meet the following requirements:

(1) the primary focus of the course or seminar must be directly related to the theories, concepts, principles, practices, techniques, methods, or problems applicable to one or more aspects of real property appraisal;

(2) the course or seminar must be a minimum of 15 classroom hours in duration and include successful completion of a final examination; except as provided in 12 AAC 70.140(g), time spent on

(A) the final examination will be counted toward the minimum course duration or credited toward the total classroom hours of instruction required for certification or registration;

(B) an assignment will not be counted toward the minimum course duration or credited toward the total classroom hours of instruction required for certification or registration;

(3) the number of hours of instruction must be sufficient for quality instruction on the subject matter covered by the course or seminar.

(e) An individual or organization wishing to receive preapproval of a course or seminar shall submit to the board

(1) a completed application form for course approval;

(2) the course approval fee in 12 AAC 02.370;

(3) the name of the course or seminar provider;

(4) a complete course description, including the course title and a description of the learning objectives;

(5) a course syllabus;

(6) an outline of the major topics covered by the course or seminar and the number of classroom hours allowed for each topic;

(7) a list of texts and instructional materials used in the course or seminar;

(8) repealed 6/22/2005;

(9) the instructor's résumé that includes the instructor's

(A) name;

(B) recognition in the real estate appraisal industry; and

(C) professional designations and affiliations; and

(10) a copy of the attendance policy and a description of the procedures used for keeping a record of attendance.

(f) An individual or organization that has received preapproval of a course or seminar shall notify the board of any change in the information submitted under (e) of this section for an approved course or seminar.

(g) Course and seminar approval under this section is valid for three years from the date of approval.

(h) The board will maintain a list of courses and seminars approved under this section.

Authority: AS 08.87.020 AS 08.87.110 AS 08.87.310

12 AAC 70.150. APPLICATION DEADLINE. (Repealed 4/8/2021)

12 AAC 70.160. REAL ESTATE APPRAISAL MANAGEMENT COMPANY REGISTRATION. (a) An applicant for registration as a real estate appraisal management company shall submit

(1) a complete notarized application on a form approved by the board and provided by the department that includes

- (A) the names and addresses of all owners of the company, including natural persons or entities;
 - (B) the name and contact information of the company's agent if applicable under AS 08.87.135(a)(2);
 - (C) a list of all certified real estate appraisers in the state who perform appraisals for the company;
 - (D) a list of all states in which the appraisal management company performs appraisals;
 - (E) the name of the controlling person and evidence satisfactory to the board that the controlling person
 - (i) has an active real estate appraiser certificate in good standing in a state;
 - (ii) has not had a real estate appraiser certificate denied, cancelled, suspended, revoked, put on probation, or surrendered in lieu of a pending revocation, as described in AS 08.87.135(b)(2), and for a substantive cause as determined by the same state that issued the certificate; and
 - (iii) is of good moral character; and
 - (F) certification that the
 - (i) appraisers on the appraiser panel are in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) and are qualified to conduct federally related transactions under federal law;
 - (ii) owners are in compliance with (b) of this section; and
 - (iii) appraisals are conducted independently and free from inappropriate influence and coercion as required by AS 08.87.135(a)(6);
 - (2) the applicable fees required in 12 AAC 02.370; and
 - (3) a copy of a surety bond in the amount of \$50,000.
- (b) Owners of the appraisal management company may not have had a real estate appraiser certificate denied, cancelled, suspended, revoked, put on probation, or surrendered in lieu of a pending revocation, as described in AS 08.87.135(a)(7), and for a substantive cause as determined by the same state that issued the certificate. A person who owns at least 10 percent of a real estate management company must be of good moral character as defined in this section.
- (c) "Good moral character" under this section is defined as a personal history of honesty, fairness, and respect for the rights of others and for state and federal law. A person applying for a registration is ineligible for registration due to failure to satisfy the requirement of good moral character if
- (1) there is substantial connection between the lack of good moral character of the person and the professional responsibilities of an appraiser, a controlling person, or owner of an appraisal management company; and
 - (2) the finding by the board of lack of good moral character is supported by clear and convincing evidence.

Authority: AS 08.87.020 AS 08.87.130 AS 08.87.135

12 AAC 70.165. REAL ESTATE APPRAISAL MANAGEMENT COMPANY AND PANEL STANDARDS.

- (a) A real estate appraisal management company operating in the state shall
 - (1) be registered in the state if the appraisal management company oversees a panel of more than 15 appraisers certified in the state, or 25 or more appraisers certified in two or more states within a 12-month period;
 - (2) have a process in place to verify that all appraisers are certified by the state and in good standing, and have geographic competency for the market area in which the appraisal is performed; and
 - (3) report to the board on a form provided by the department and submit the fee required in 12 AAC 02.370(b)(4) not later than 30 days after a change of
 - (A) the designated controlling person who meets the requirements of 12 AAC 70.160(a)(1)(E);
 - (B) an owner who owns more than 10 percent of the company who meets the requirements of 12 AAC 70.160(b); or
 - (C) a director, officer, or agent.
- (b) A real estate appraisal management company may not remove an appraiser from the appraisal panel until after
 - (1) written notice has been sent to the appraiser of the removal from the appraiser panel with an explanation and reason for the action;
 - (2) a written notice is received from the appraiser asking to be removed from the appraiser panel; or
 - (3) notice of death or incapacitation of the appraiser has been received.

Authority: AS 08.01.065 AS 08.87.130 AS 08.87.135
AS 08.87.020

12 AAC 70.170. RENEWAL OF AN APPRAISAL MANAGEMENT COMPANY REGISTRATION. A registered appraisal management company applying for renewal of a registration shall submit

- (1) a completed renewal application, on a form provided by the department that meets the requirements of AS 08.87.135(e);
- (2) the renewal fee required in 12 AAC 02.370; and
- (3) proof of current bonding as described in 12 AAC 70.160(a)(3).

Authority: AS 08.01.065 AS 08.87.130 AS 08.87.135
AS 08.01.100

12 AAC 70.175. ANNUAL REPORTING AND FEDERAL REGISTRY REQUIREMENTS FOR APPRAISAL MANAGEMENT COMPANIES. (a) A registered appraisal management company shall report annually on a form provided by the department and submit the registry fee required in 12 AAC 02.370(b)(5) for each appraiser on the appraiser panel performing appraisals for covered transactions in the state during the preceding calendar year.

(b) Federally regulated appraisal management companies shall report annually to the board information required by AS 08.87.155 on a form provided by the department and submit the registry fee required in 12 AAC 02.370(b)(5) for each appraiser on the appraiser panel performing appraisals for covered transactions in the state during the preceding calendar year.

Authority: AS 08.87.020 AS 08.87.135 AS 08.87.155
AS 08.87.130

12 AAC 70.180. RETENTION OF RECORDS AND INSPECTION BY THE BOARD. A registered appraisal management company must retain all records as described in AS 08.87.150 and make the records available to the board or its designee upon request.

Authority: AS 08.87.020 AS 08.87.150

ARTICLE 2. CONTINUING EDUCATION REQUIREMENTS.

Section

- 200. Application for continuing education course or seminar approval**
- 210. Approved continuing education courses and seminars**
- 215. Approved online courses**
- 220. Hours of continuing education required**

12 AAC 70.200. APPLICATION FOR CONTINUING EDUCATION COURSE OR SEMINAR APPROVAL. (a) A person or an organization wishing to sponsor a real estate appraisal continuing education course or seminar shall apply for board approval of that course or seminar by submitting

- (1) a completed application on forms provided by the department;
 - (2) any fees required in 12 AAC 02.370;
 - (3) the following information:
 - (A) a complete course description, including the course or seminar title and a description of the learning objectives;
 - (B) an outline of the major topics covered by the course or seminar and the number of classroom hours allowed for each topic;
 - (C) the name of the course or seminar provider;
 - (D) repealed 6/22/2005;
 - (E) a copy of the attendance policy and a description of the procedures used for keeping a record of attendance;
 - (F) a course syllabus;
 - (G) a list of texts and instructional materials used in the course or seminar;
 - (H) the instructor's résumé that includes the instructor's
 - (i) name;
 - (ii) recognition in the real estate appraisal industry; and
 - (iii) professional designations and affiliations.
- (b) An applicant for renewal may petition the board for approval of a course or seminar that the applicant believes will meet the requirements of 12 AAC 70.210.
- (c) The board will award up to 10 hours of continuing education credit for nonstudent participation in an educational program as provided for in AS 08.87.120(b)(2). To receive credit under this subsection, an applicant for renewal shall provide the documentation necessary to substantiate the applicant's participation and experience, including
- (1) information on the topics covered and the hours spent in the program; and
 - (2) documentation that the applicant's involvement in the program was in the technical and professional aspects of real estate appraisal and that the primary focus of the program was directly related to the theories, concepts, principles, practices, techniques, methods, or problems applicable to one or more aspects of real property appraisal.
- (d) Courses and seminars that are not approved by the Appraiser Qualifications Board (AQB) or the International Distance Education Certification Center (IDECC) are valid for three years from the date of initial approval.

(c) An appraiser must retain the work file for a period of at least five years after preparation or at least three years after final disposition of any judicial proceeding in which the appraiser provided testimony related to the assignment, whichever period expires later.

(d) An appraiser must have custody of the appraiser's work file, or make appropriate work file retention, access, and retrieval arrangements with the party having custody of the work file.

(e) An appraiser having custody of a work file must allow other appraisers with work file obligations related to an assignment appropriate access and retrieval for the purpose of

- (1) submission to state appraiser regulatory agencies;
- (2) compliance with due process of law;
- (3) submission to a duly authorized professional peer review committee; or
- (4) compliance with retrieval arrangements.

Authority: AS 08.87.020 AS 08.87.300

12 AAC 70.990. DEFINITIONS. In this chapter and in AS 08.87

(1) "appraisal experience" includes fee and staff appraisals, ad valorem tax appraisals, appraisal reviews, appraisal analysis, real estate counseling, and feasibility analysis and study, all of which must have been performed in accordance with the *Uniform Standards of Professional Appraisal Practices* described in 12 AAC 70.900;

(2) "board" means the Board of Certified Real Estate Appraisers;

(3) "certified real estate appraiser" means a real estate appraiser who is certified in Alaska under AS 08.87; it does not include persons certified by another licensing jurisdiction or organization;

(4) "department" means the Department of Commerce, Community, and Economic Development;

(5) "holds out as a certified real estate appraiser in any way" includes anyone who performs appraisal services on real estate located in Alaska;

(6) "transaction value" means the amount of the federally-related transaction and is not necessarily the value of the property being appraised;

(7) "institutional real estate appraiser" means a real estate appraiser employed full-time by a financial institution with an office in the state subject to the limitations set out in AS 08.87.110(e) - (g);

(8) "complete application" means an application that includes all documentation and fees required for certification in this chapter;

(9) "distance education" means an educational process where a geographical separation exists between the provider and student;

(10) "CLEP" means the College-Level Examination Program;

(11) "USPAP" means the Uniform Standards of Professional Appraisal Practice, developed by the Appraisal Foundation;

(12) "covered transactions" means any consumer credit transaction secured by the consumer's principal dwelling.

Authority: AS 08.87.020

DIVISION UPDATE

Department of Commerce Community, and Economic Development
Corporations, Business and Professional Licensing

Summary of All Professional Licensing
Schedule of Revenues and Expenditures

Board of Certified Real Estate Appraisers	FY 14	FY 15	Biennium	FY 16	FY 17	Biennium	FY 18	FY 19	Biennium	FY 21	
										FY 20	1st - 3rd QTR
Revenue											
Revenue from License Fees	\$ 56,250	\$ 279,525	\$ 335,775	\$ 49,440	\$ 272,590	\$ 322,030	\$ 76,010	\$ 190,565	\$ 266,575	\$ 80,550	\$ 55,195
Allowable Third Party Reimbursements	1,499	-	1,499	-	5,827	5,827	1,534	4,314	5,848	2,559	-
TOTAL REVENUE	\$ 57,749	\$ 279,525	\$ 337,274	\$ 49,440	\$ 278,417	\$ 327,857	\$ 77,544	\$ 194,879	\$ 272,423	\$ 83,109	\$ 55,195
Expenditures											
Non Investigation Expenditures											
1000 - Personal Services	28,642	43,055	71,697	40,694	13,307	54,001	45,123	91,165	136,288	98,414	29,030
2000 - Travel	2,920	2,217	5,137	12,596	13,106	25,702	16,384	11,267	27,651	1,933	-
3000 - Services	1,275	33,177	34,452	3,008	5,288	8,296	7,445	10,666	18,111	30,418	12,753
4000 - Commodities	24	42	66	22	13	35	716	161	877	602	-
5000 - Capital Outlay	-	-	-	-	-	-	-	-	-	-	-
Total Non-Investigation Expenditures	32,862	78,491	111,352	56,320	31,714	88,034	69,668	113,259	182,927	131,367	41,783
Investigation Expenditures											
1000-Personal Services	6,273	10,239	16,512	3,464	19,945	23,409	25,013	18,383	43,396	38,249	16,559
2000 - Travel	-	-	-	-	-	-	-	1,050	1,050	2,547	-
3023 - Expert Witness	1,625	-	1,625	-	-	-	3,485	1,050	4,535	4,050	2,400
3088 - Inter-Agency Legal	12,055	439	12,494	-	-	-	33	33	66	2,453	13,792
3094 - Inter-Agency Hearing/Mediation	-	-	-	-	-	-	217	-	217	-	65
3000 - Services other	-	-	-	-	-	-	-	633	633	111	15
4000 - Commodities	-	-	-	-	-	-	-	-	-	-	-
Total Investigation Expenditures	19,952	10,678	30,631	3,464	19,945	23,409	28,748	21,149	49,897	47,410	32,831
Total Direct Expenditures	52,814	89,169	141,983	59,784	51,659	111,443	98,416	134,408	232,824	178,777	74,614
Indirect Expenditures											
Internal Administrative Costs	8,346	10,447	18,793	9,900	9,222	19,122	15,708	20,705	36,413	21,754	16,316
Departmental Costs	7,280	13,937	21,217	8,446	7,009	15,455	13,293	21,286	34,579	17,090	12,818
Statewide Costs	5,311	8,721	14,032	3,280	2,319	5,599	7,826	11,964	19,790	18,005	13,504
Total Indirect Expenditures	20,937	33,105	54,042	21,626	18,550	40,176	36,827	53,955	90,782	56,849	42,638
TOTAL EXPENDITURES	\$ 73,751	\$ 122,274	\$ 196,025	\$ 81,410	\$ 70,209	\$ 151,619	\$ 135,243	\$ 188,363	\$ 323,606	\$ 235,626	\$ 117,252
Cumulative Surplus (Deficit)											
Beginning Cumulative Surplus (Deficit)	\$ 57,304	\$ 41,302		\$ 198,553	\$ 166,583		\$ 374,791	\$ 317,092		\$ 323,608	\$ 171,091
Annual Increase/(Decrease)	(16,002)	157,251		(31,970)	208,208		(57,699)	6,516		(152,517)	(62,057)
Ending Cumulative Surplus (Deficit)	\$ 41,302	\$ 198,553		\$ 166,583	\$ 374,791		\$ 317,092	323,608		171,091	109,034
Statistical Information											
Number of Licenses for Indirect calculation	290	319		287	346		342	298		345	
Additional information:	<ul style="list-style-type: none"> • Fee analysis required if the cumulative is less than zero; fee analysis recommended when the cumulative is less than current year expenditures; no fee increases needed if cumulative is over the current year expenses * • Most recent fee change: Fee reduction FY19 • Annual license fee analysis will include consideration of other factors such as board and licensee input, potential investigation load, court cases, multiple license and fee types under one program, and program changes per AS 08.01.065. 										

Department of Commerce Community, and Economic Development
Corporations, Business and Professional Licensing

Appropriation Name (Ex)	(All)
Sub Unit	(All)
PL Task Code	APR1

Sum of Budgetary Expenditures Object Name (Ex)	Object Type Name (Ex)		Grand Total
	1000 - Personal Services	3000 - Services	
1011 - Regular Compensation	24,852.29		24,852.29
1014 - Overtime	2.54		2.54
1023 - Leave Taken	3,262.81		3,262.81
1028 - Alaska Supplemental Benefit	1,746.30		1,746.30
1029 - Public Employee's Retirement System Defined Benefits	73.56		73.56
1030 - Public Employee's Retirement System Defined Contribution	1,493.59		1,493.59
1034 - Public Employee's Retirement System Defined Cont Health Reim	998.03		998.03
1035 - Public Employee's Retirement Sys Defined Cont Retiree Medical	357.57		357.57
1037 - Public Employee's Retirement Sys Defined Benefit Unfnd Liab	3,334.25		3,334.25
1039 - Unemployment Insurance	47.88		47.88
1040 - Group Health Insurance	7,700.51		7,700.51
1041 - Basic Life and Travel	11.97		11.97
1042 - Worker's Compensation Insurance	265.66		265.66
1047 - Leave Cash In Employer Charge	574.94		574.94
1048 - Terminal Leave Employer Charge	397.70		397.70
1053 - Medicare Tax	397.09		397.09
1063 - GGU Business Leave Bank Usage	-		-
1069 - SU Business Leave Bank Contributions	21.13		21.13
1077 - ASEA Legal Trust	29.57		29.57
1079 - ASEA Injury Leave Usage	4.33		4.33
1080 - SU Legal Trst	17.36		17.36
3023 - Expert Witness		2,400.00	2,400.00
3045 - Postage		14.80	14.80
3046 - Advertising		92.76	92.76
3088 - Inter-Agency Legal		23,634.55	23,634.55
3094 - Inter-Agency Hearing/Mediation		2,864.40	2,864.40
3085 - Inter-Agency Mail		18.56	18.56
Grand Total	45,589.08	29,025.07	74,614.15

welcome!

we will start
momentarily



DCCED

Division of
Corporations,
Business and
Professional
Licensing

welcome,
professional
licensing
board member



DCCED
Division of
Corporations,
Business and
Professional
Licensing

Inspiring **public confidence** through
balanced regulation of
competent professional
& business services

DIVISION
MISSION
STATEMENT

self-funded services to support businesses & protect consumers



Business Licensing

- Answer questions about applications
- Issue business licenses
- Grant endorsements to sell nicotine products

Corporations

- Assist corporations with registration
- Register trademarks
- Maintain corporate reporting records

Professional Licensing

- License qualified professionals per AS 08
- Provide administrative support for twenty-one boards

Enforcement

- Enforce licensing statutes and regulations
- Investigate public complaints regarding violations of licensing law
- Assist boards, commissions, and the division director when considering license discipline

Administrative Support

- Provide front-line customer service
- Support division's clerical and fiscal functions

volume by the numbers

2018

Business Licenses	73,952
Tobacco Endorsements	1,351
Corporations	73,053
Professional Licenses	89,414
Investigative Matters	1,256
License Actions	221

professions regulated by the division

22

Acupuncturists

Athletic Trainers

Audiologists

Behavior Analysts

Collection Agencies

Guardians & Conservators

Construction Contractors

Concert Promoters

Dietitians & Nutritionists

Dispensing Opticians

Electrical Administrators

Animal Euthanasia Permits

Professional Geologists

Hearing Aid Dealers

Home Inspectors

Mechanical Administrators

Morticians

Naturopaths

Nursing Home Administrators

Pawnbrokers

Speech-Language Pathologists

Underground Storage Tank

Workers

boards or commissions regulating professions

21

Board of Registration for
Architects, Engineers and Land
Surveyors

Board of Barbers and
Hairdressers

Big Game Commercial Services
Board

Board of Chiropractic Examiners

Board of Dental Examiners

Board of Marine Pilots

State Medical Board

Board of Marital and Family
Therapy

Board of Massage Therapists

Board of Certified Direct-Entry
Midwives

Board of Nursing

Board of Examiners in Optometry

Board of Professional Counselors

Board of Pharmacy

Board of Physical Therapy and
Occupational Therapy

Board of Psychologist and
Psychological Associate
Examiners

Board of Public Accountancy

Board of Certified Real Estate
Appraisers

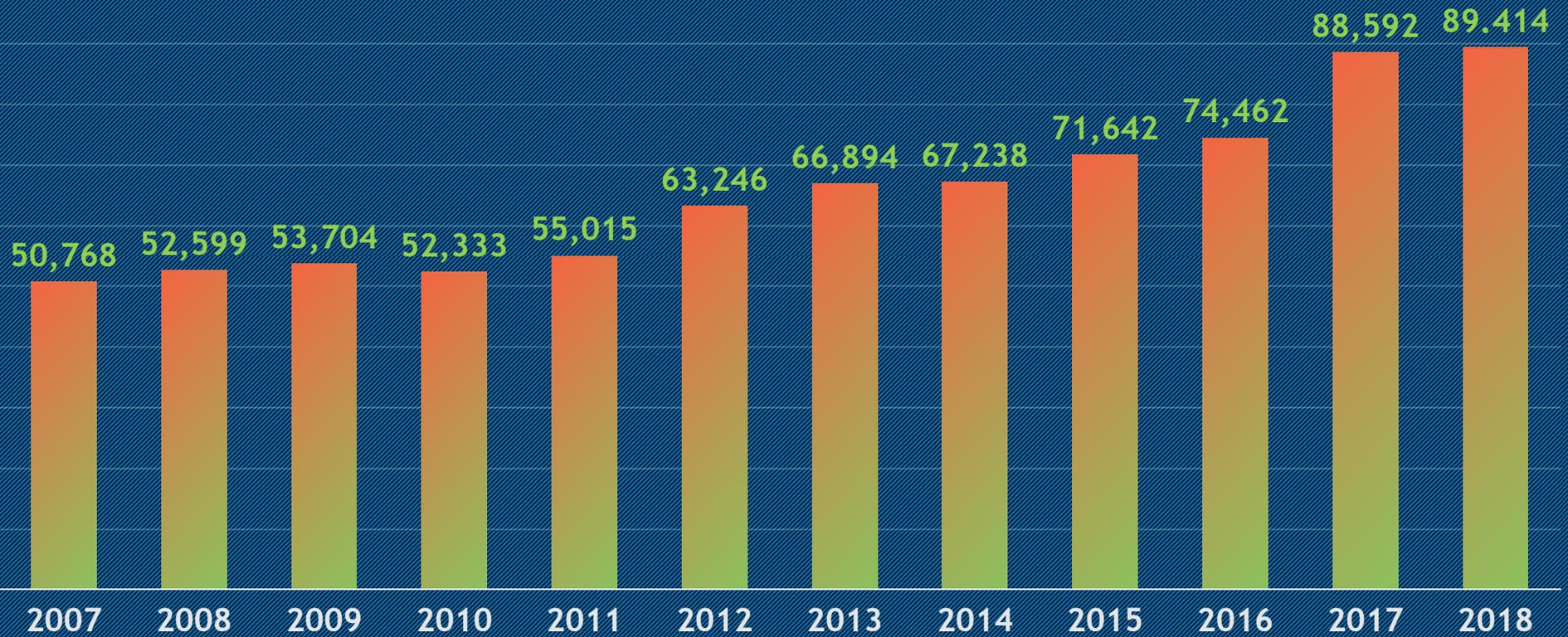
Real Estate Commission

Board of Social Work Examiners

Board of Veterinary Examiners

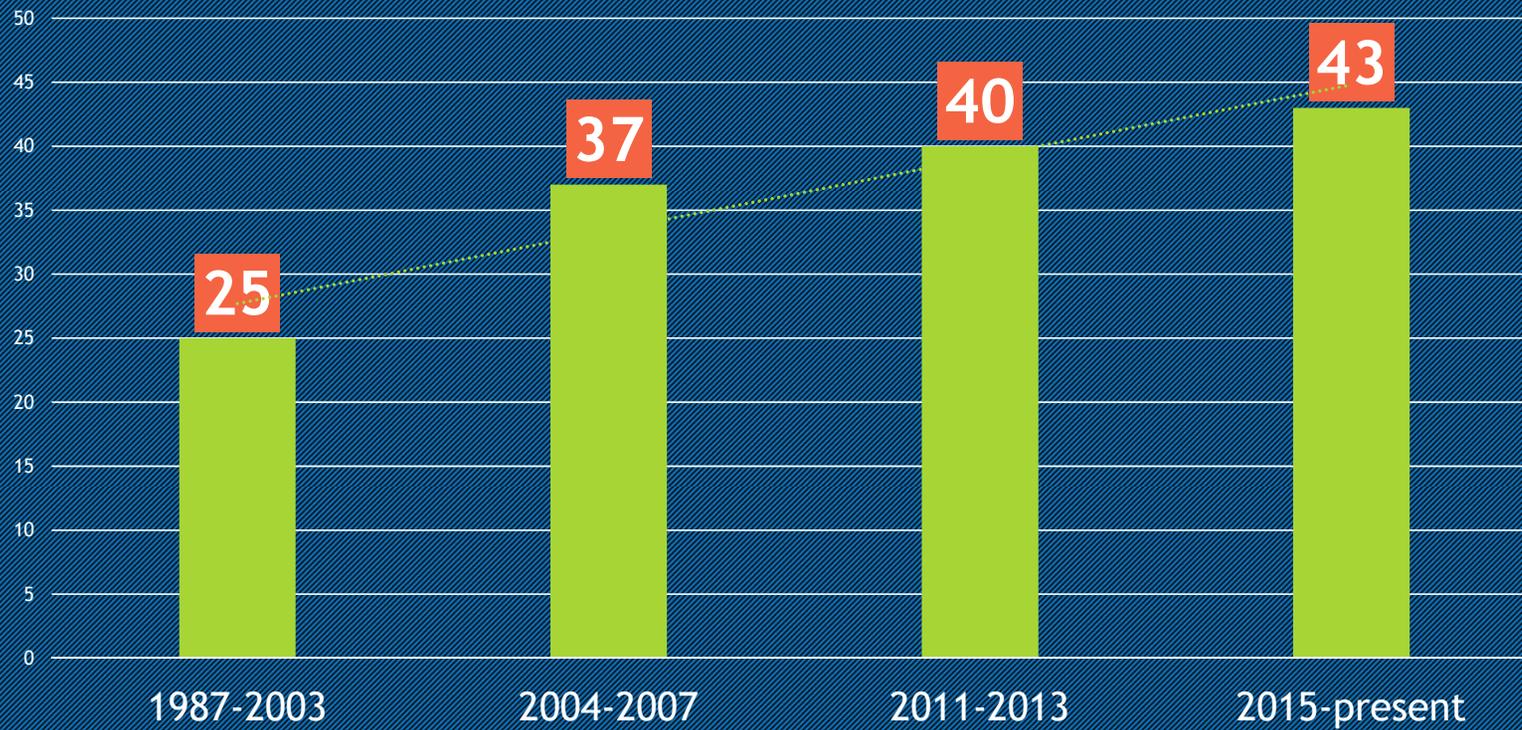
total professional licenses

2007
to
2018



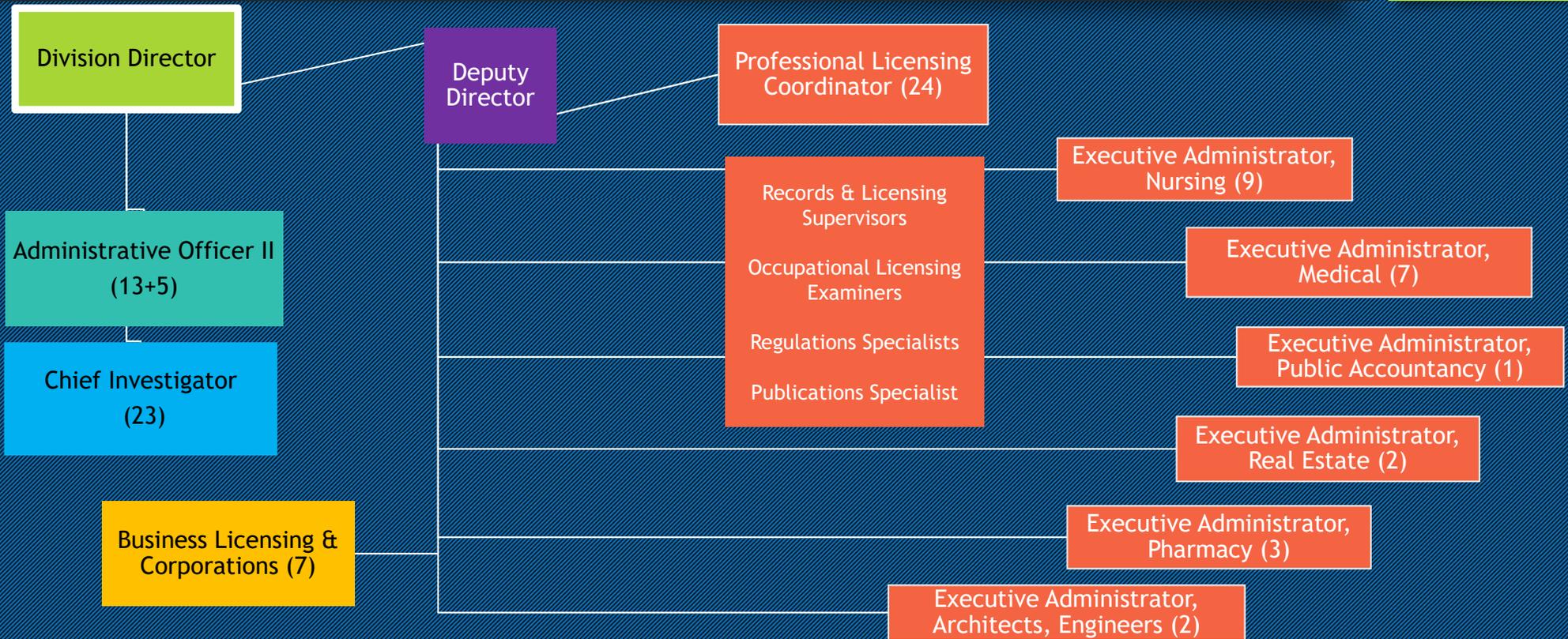
professional licensing programs

1987
to
present



division personnel

103



RESEARCH

Applicant finds out what is required in Alaska.



APPLICATION

Applicant fills out and submits form and fee.



DOCUMENTS

Transcripts, hospital privileges, other docs are submitted.



REVIEW

Examiner reviews file, communicates with applicant.



INVESTIGATION

If criminal or disciplinary history, referred for investigation.



staff:
2 weeks

LICENSURE

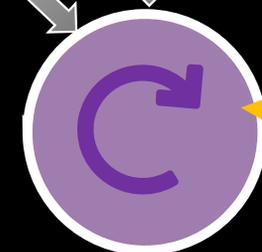
When complete, a license is issued.



board:
2 weeks



initial review:
10 day standard



CLARIFICATION

If more information is needed, it is requested and reviewed.



DENIAL OR WITHDRAWAL

If not qualified, a license is denied. Applicant may withdraw.

board:
2 weeks



timeframe until
**APPLICATION PACKAGE
IS COMPLETE**
depends on:

applicant
educational institution
credentialing service
letters of reference
court documents
other factors outside division's control or
applicant's control

MY LICENSE online portal

Fall
2018

- **Access license file through myAlaska.** Same login as PFD application.
- **Renew** your professional license online.
- **Update** your email and mailing addresses.
- **Go Paperless.** Opt-in to receive electronic communication about licensure, regulations changes, and other important news.
- **Apply** online, **upload** documents, **allow access** to credentialing agencies, and **track progress** of application.

LICENSE DETAILS

License Number: [REDACTED]
 Program: Medical
 Type: Physician
 Status: In Process
 Issue Date:
 Effective Date:
 Expiration Date:
 Public Note:
 Mailing Address: [REDACTED]
 Email: [REDACTED]

Actions

Edit Contact Information

Renew License

This license's status of "In Process" is not available for online renewal at this time.

Information:

- This license application is in process. Additional action may be required. Please review your application progress in the Events section.
- Please review and submit any outstanding documents in the Events section.

Events

Event				Event Date
Status	Item	Amount Owed	Message from Examiner	Documents
▼ Initial Application (Credentials) 1/11/2019				
Completed	Submission		FCVS	
Completed	Exam Scores		Exam Scores (FLEX)	
Completed	Diploma		Diploma	
Completed	Verification of Education		Verification of Education ([REDACTED] Medical Center)	
Completed	Post Graduate Education Certificate (s)		Post Graduate Certificate ([REDACTED] University Hospital)	
Completed	Verification of Post Graduate Experience		Verification of Post Graduate Experience ([REDACTED] University Hospital)	
Completed	Certificate		ECFMG Certification	
Completed	Clearance Report from the Federation of State Medical Boards		FSMB Clearance Report	
Completed	Verification of License -		Verification of License (MI)	1/28/2019

Completed	Verification of License - Incoming		Verification of License (FL)	1/28/2019
Completed	Verification of License - Incoming		Verification of License (AL)	1/28/2019
Completed	Verification of License - Incoming		Verification of License (WI)	1/28/2019
Completed	Verification of License - Incoming		Verification of License (AR)	1/28/2019
Completed	Verification of License - Incoming		Verification of License (NC)	1/28/2019
Completed	Verification of License - Incoming		Verification of License (CO)	1/28/2019
Completed	Verification of License - Incoming		Verification of License (PA)	1/28/2019
Completed	Verification of License - Incoming		Verification of License (MO)	1/29/2019
Completed	Submission		2006 California List	1/31/2019
Completed	AMA/AOA Profile		AMA/AOA Profile	
Completed	Status Letter		(Status Update)	1/31/2019
Incomplete	Submission	PAID (View Receipt)	Initial Application	1/11/2019
Incomplete	Authorization for Release of Records			
Incomplete	Post Graduate Education Certificate (s)		Post Graduate Certificate ([REDACTED] Medical Center)	
Incomplete	Verification of Post Graduate Experience		Verification of Post Graduate Experience (University [REDACTED] Medical Center)	
Incomplete	Verification of License - Incoming		Pennsylvania	
Incomplete	Verification of License - Incoming		District of Columbia	
Incomplete	Verification of License - Incoming		Texas	
Incomplete	Verification of License - Incoming		Nebraska	
Incomplete	Verification of License - Incoming		New York	
Incomplete	Verification of License - Incoming		New York	
Incomplete	Verification of License - Incoming		Louisiana	
Incomplete	DEA Clearance Report			
Incomplete	Signature/Photo Page		The original page must be mailed into the department	
Document Required	Continuing Education Certificate(s)		OPIOID EDUCATION: If you hold a valid DEA registration, you must submit two hours of continuing education in pain management and opioid use and addiction.	Upload File

governance or management



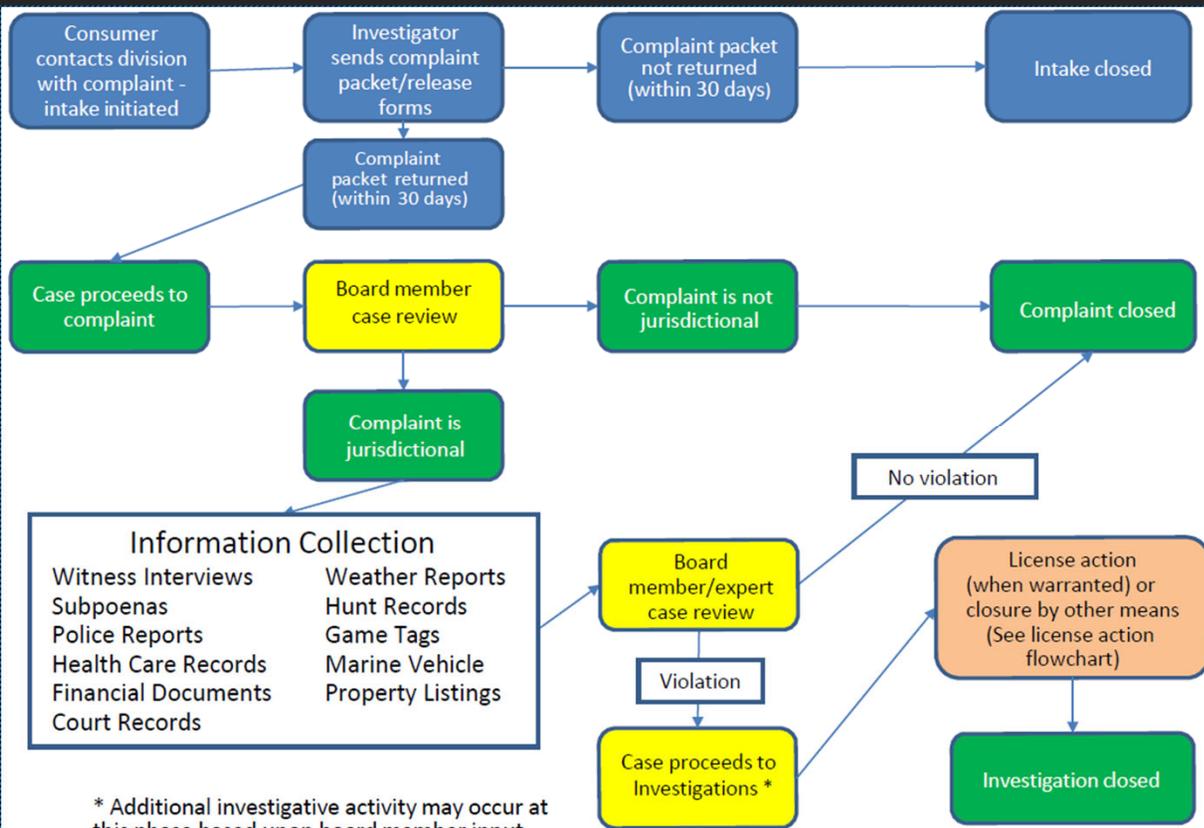
boards provide **GOVERNANCE**

- Is it central to the mission?
- Is it a big-picture concern?
- Does it need high-level scrutiny or support?
- Is it a board statute or regulation?
- Is it a decision affecting a license?

division provides **MANAGEMENT**

- Does it involve day-to-day administration?
- Is it a centralized statute or regulation?
- Does it direct staff or resources?

investigative process



AO 306
 moves investigative staff
 and responsibilities to
 Department of Law in
 FY2020

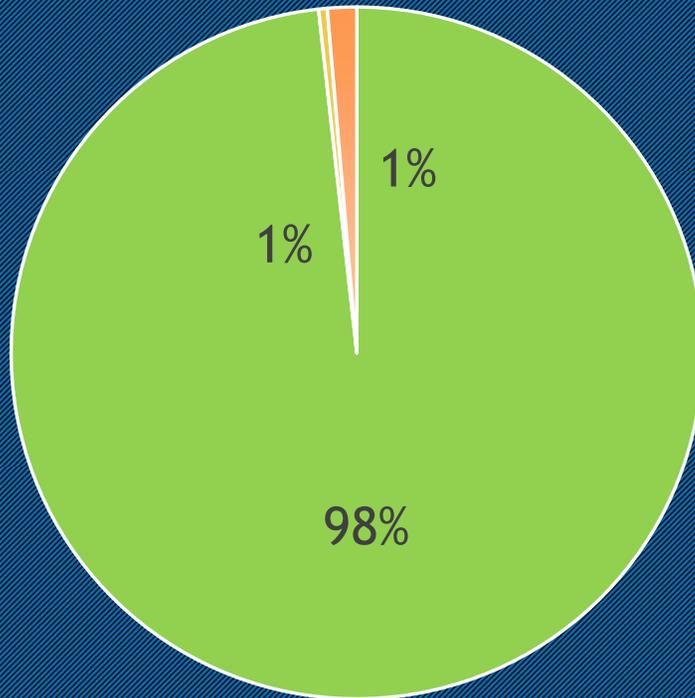
investigative process



- Options available to boards and to the division when there is no board governing that license type**
- Deny a license
 - Issue cease and desist order
 - Issue letter of advisement
 - Negotiate consent agreement
 - File accusation
 - Fine
 - Place on probation
 - Restrict or condition license
 - Suspend
 - Revoke

funding and fees

FY
18



■ program receipts

■ 3rd party travel reimbursement

■ federal grants through I/A

0% undesignated general funds

funding and fees



AS 08.01.065(c):

- Total amount of fees approximately equal the actual regulatory costs
- Annually review each fee level
- Consult with boards about fee changes
- Calculate fee adjustments and adopt regulations to implement adjustments

funding and fees



streamlining and reducing expenses

- videoconferencing board meetings
- training board members and holding them accountable
- ongoing cross-training and sharing staff
- identifying staff “superpowers”
- finding opportunities within statutes and regulations
- eliminating assumptions

what we strive to deliver



“right-touch regulation”

- transparent
- balanced
- reasonable
- responsive
- within our allocated resources

are we getting it right?



grocery and clothing sellers
lemonade stands, florists,
automotive service technicians

phlebotomists, radiologic technicians,
professional geologists, ministers



telemedicine businesses, massage therapy establishments
worker's compensation insurance

vaping product sellers

surgeons, banks, marijuana cultivators, construction contractors,
psychologists, manicurists, engineers, massage therapists,
teachers, registered nurses, dentists, hair braiders, etc.



HOT TOPICS



- **Relevance**

- “The way we have always done it” may not be good enough for today
- Keeping up with current educational, professional, and ethical standards

- **Responsiveness**

- To ideas and input from all parties: You wear a “board member” hat, not a “special interest” hat.
- To time-sensitive requests: Meeting RSVPs, votes, input, advice

Core question: Does it serve the public interest?

board member resources



<http://professionallicense.alaska.gov>

The screenshot shows the header of the Alaska Department of Commerce, Community, and Economic Development website. On the left is the state seal of Alaska, which features a landscape with a mountain, a river, and a boat. To the right of the seal, the text reads "Department of Commerce, Community, and Economic Development" followed by "DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING" in a larger, bold font. Below this text is a search bar with a white input field and a grey "Search" button. At the bottom of the header is a navigation menu with five items: "HOME", "CORPORATIONS", "BUSINESS LICENSING", "PROFESSIONAL LICENSING", and "INVESTIGATIONS". The "PROFESSIONAL LICENSING" item is circled in red.

Department of Commerce, Community, and Economic Development
**DIVISION OF CORPORATIONS, BUSINESS AND
PROFESSIONAL LICENSING**

HOME

CORPORATIONS

BUSINESS LICENSING

PROFESSIONAL LICENSING

INVESTIGATIONS

CBPL QUICK LINKS

[How To Get Licensed](#)

[Pay By Credit Card](#)

[Buy a Business License](#)

[File a Complaint](#)

[Request License Verification](#)

[Order a Wall Certificate](#)

[Request SSN Exemption](#)

[Name/Address Change or Duplicate License](#)

[ADA Accommodation](#)

[License Search](#)

[Public Records Requests](#)

[License Expiration Dates](#)

[Meetings & Regulation Notices](#)

[Examination Notices](#)

[Military Licensing](#)

[Centralized Licensing Statutes](#)

[Centralized Licensing Regulations](#)

[Board Member Resources](#)

[Annual Reports](#)

[Current Financial Reports](#)

board member
resources



PROFESSIONAL LICENSING

Board Member Resources:

- [CBPL Guide to Excellence in Regulation](#) 
Topics covered:
 - Executive Branch Ethics
 - Framework for Decisionmaking
 - Meetings and Parliamentary Procedure
 - Adopting Regulations
 - Investigation Process
 - Legislative Guidance
 - State Travel Policy and Procedure
 - How Board Finances Work
 - Evaluating Your Board and Yourself
- [Code of Conduct](#)
- [Board Member Communications Training](#)
- [Welcome to the Board!](#) 
- [New Member Quick-Start](#)
- [Current Annual Reports](#)
- [Current Quarterly Schedules of Revenues and Expenditures](#)
- [Council on Licensure, Enforcement, and Regulation Member Resources](#)
(contact the Division for access)
- Important Business Forms:
 - [W-9 for travel expense reimbursement](#)
 - [EDI agreement for travel expense reimbursement](#)

board member
resources



NEW in 2019!

Join the listserv:

<http://list.state.ak.us/mailman/listinfo/licensingboards>

Transparency

Discretion

Fairness

CRUCIAL
CONCEPTS

crucial concept: **transparency**



It is the policy of the state that
governmental units generally exist
to aid in the conduct
of the people's business.

crucial concept: **transparency**



It is the intent of the law that

- **actions** of those units be taken openly, &
- **deliberations** be conducted openly.

crucial concept: **transparency**



What constitutes a *meeting*?

- **Three or more members** discussing a matter upon which they have the **power to take action**
- **Committees of the board**, including standing and ad hoc committees

crucial concept: **transparency**



What constitutes a *meeting*?

- **In person, phone, email, or text**—it's still a meeting
- All must be **publicly noticed**:
 - on the state's Online Public Notice System
 - in a major newspaper of the state

AS 44.62.310

crucial concept: **transparency**



Professional licensing boards may enter executive session during a **publicly noticed meeting** when:

- matters tend to **prejudice the reputation and character** of any person, provided the person may request a public discussion

crucial concept: **transparency**



Professional licensing boards may enter executive session during a **publicly noticed meeting** when:

- matters which—by law, municipal charter, or ordinance— are **required to be confidential**

crucial concept: **transparency**



Public notice does not apply when holding a meeting **solely to make a decision in an adjudicatory proceeding**

This means that if the board is **ONLY** meeting to discuss license action, it does not have to publicly notice the meeting; however, it **may not take up any other business**

AS 44.62.310

crucial concept: **discretion**



protect legally **confidential** information

protect the licensee's **due process rights**

maintain **fairness and integrity** of a procedure

crucial concept: **discretion**



Every person has a right to inspect a public record in the state, except:

- certain records pertaining to **juveniles**
- certain **educational** records
- **medical** and related public health records
- records required to be kept **confidential by another law**

(Alaska Public Records Act: AS 40.25.120)

crucial concept: **discretion**



Every person has a right to inspect a public record in the state, except:

- certain records or information compiled for **law enforcement** purposes
- certain **attorney-client** and **legislative** records
- records that are **proprietary, privileged, or a trade secret**

(Alaska Public Records Act: AS 40.25.120)

crucial concept: **fairness**



The regulations process:

- **discussion not allowed** during the public comment period—with individual board members or the board as a whole—**unless publicly noticed**
- gives everyone the **same opportunity** to comment and be heard

crucial concept: **fairness**



The regulations process:

- provides the board members with the **same information** for deliberation
- maintains an **accurate public record** of rulemaking

crucial concept: **fairness**



Avoid conflicts of interest

- employer/employee or family **relationship**
- **stakeholder** in a business or organization
- significant and specific **financial gain**

crucial concept: **fairness**



Avoid conflicts of interest

- inability to remain impartial or
- inability to **appear** to remain impartial for any reason
- can **nullify board vote** and **erode public trust**

crucial concept: **fairness**



Avoid ex parte communication

“An oral or written communication not on the public record with respect to which reasonable prior notice to all parties is not given....”

In other words:

“Does everyone have the same information?”

crucial concept: **fairness**



Licensing Staff

.....

Board Member

Board Member

Board Member

Board Member

Board Member

Board Member

Board Member

crucial concept: **fairness**



Investigative Staff Reviewing Board Member

crucial concept: **fairness**



Avoid ex parte communication

- deliberation on **whether to issue or deny** a license
- deliberation on **disciplining or revoking** a license
- deliberation on **proposed regulations**
- where you have **undue power or influence**

crucial concepts



safeguard **transparency, discretion, and fairness:**

- provide all board members with the **same information**
- withhold information that is **not legally relevant**

crucial concepts



safeguard **transparency, discretion, and fairness:**

the **chair should recuse members** who have more or different information:

- **reviewing board member** on a case
- ex parte contact with the **licensee**
- ex parte contact with the **applicant**

crucial concepts



safeguard **transparency, discretion, and fairness:**

avoid conversations

1. with each other
2. about board business
3. outside of publicly noticed board meetings

crucial concepts



safeguard **transparency, discretion, and fairness:**

avoid conversations

1. with individuals
2. about specific disciplinary cases
3. about license applications, or
4. about pending protected board decisions

crucial concepts



safeguard **transparency, discretion, and fairness:**

attempt to cure ex parte

by communicating relevant information with staff,
who can share with board members

Inspiring **public confidence** through
balanced regulation of
competent professional
& business services

DIVISION
MISSION
STATEMENT

license@alaska.gov



Thank you for your service to the state.

CBPL

Alaska
Division of
Corporations,
Business and
Professional
Licensing

RESTRICTING APPRAISERS DISCUSSION

**Shyla Consalo
Executive Administrator
Real Estate Commission
Will join meeting to
discuss this topic with the
Board**

BOARD BUSINESS

Annual Report

Fiscal Year 2020

ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS



**Board needs to
set FY22 Goals &
Objectives**

**Department of Commerce, Community
and Economic Development**

**Division of Corporations, Business
and Professional Licensing**

This annual performance report is presented in accordance with
Alaska statute AS 08.01.070(10).

Its purpose is to report the accomplishments, activities, and the
past and present needs of the licensing program.

**ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS
FY 2020 Annual Report**

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Identification of the Staff	Page 4
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Regulatory Recommendations	Page 13
Goals and Objectives	Page 14
Sunset Audit Recommendations	Page 16

**ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS
FY 2020 Annual Report**

Identification of the Board

Board Member	Duty Station	Date Appointed	Term Expires
<p>David Derry, Chairman Certified General Real Estate Appraiser</p>	Kenai	Mar 01, 2014	Mar 01, 2022
<p>Wendy Lawrence Certified Residential Real Estate Appraiser</p>	Sitka	Mar 01, 2018	Mar 01, 2024
<p>Renee Piszczek Mortgage Banking Executive</p>	Fairbanks	Sep 02, 2014	Mar 01, 2021
<p>Ashley Stetson Public Member</p>	Wasilla	Jan 11, 2019	Mar 01, 2023
<p>William Barnes Certified General Real Estate Appraiser</p>	Palmer	Aug 20, 2019	Mar 01, 2022

**ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS
FY 2020 Annual Report**

Identification of Staff

Allan Alcancia – Licensing Examiner (July 1, 2019- October 1, 2019)

Department of Commerce, Community & Economic Development
Division of Corporations, Business and Professional Licensing
Post Office Box 110806
Juneau, Alaska 99811-0806
(907) 465-2695

Tracy Wiard – Licensing Examiner (November 1, 2019- June 30, 2020)

Department of Commerce, Community & Economic Development
Division of Corporations, Business and Professional Licensing
Post Office Box 110806
Juneau, Alaska 99811-0806
(907) 465-695

Joseph Bonnell – Records and Licensing Supervisor

Department of Commerce, Community & Economic Development
Division of Corporations, Business and Professional Licensing
Post Office Box 110806
Juneau, Alaska 99811-0806
(907) 465-2691

Sher Zinn – Regulations Specialist

Department of Commerce, Community & Economic Development
Division of Corporations, Business and Professional Licensing
Post Office Box 110806
Juneau, Alaska 99811-0806
(907) 465-1049

Autumn Roark – Investigator

Department of Commerce, Community & Economic Development
Division of Corporations, Business and Professional Licensing
550 West 7th Avenue, Suite 1500
Juneau, Alaska 99811-0806
(907) 269-8614

ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS FY 2020 Annual Report

Narrative Statement

Board Overview

The Board of Certified Real Estate Appraisers (Board) has been endowed with the powers and duties conferred by AS 08.01, and the mandate to establish the examination specifications for certification as a general and residential real estate appraiser; the adoption of rules of professional conduct; and the adoption of regulations to carry out the purposes of this chapter, including regulations necessary to comply with the requirements of 12 U.S.C. 3331-3351.

Towards the goal of accomplishing these mandates, the Board met seven times in FY 2020 in various capacities via: three teleconferences, three video conferences, and one in person meeting in Anchorage. All Board meetings were public-noticed and a copy of the agenda was made available to the public. Minutes were approved at subsequent meetings and were posted on the Board website. The major focus of FY 2020 was the completion of a comprehensive review of appraiser education and certification regulations resulting in an alignment of state regulations to national regulations, as well as the implementation of laws for the registration and regulation of Appraisal Management Companies (AMC's).

Education Review – Qualifying and Continuing Education

The Board continued its review and approval of education classes for both qualifying education for General and Residential Appraiser Certification, and continuing education courses.

Continuing Education Annual Random Audit

For the July 1, 2019 – June 30, 2021 renewal period of appraiser certifications, department staff mailed (248) renewal letters on May 8, 2019. As of reporting on August 2019, there were a total of (213) renewed licensees: (93) Certified General (72 via web); (115) Certified Residential (105 via web); and (5) Trainees (4 via web). Twenty-nine (29) licensees were randomly selected for audit during this renewal period, and the audit notices were mailed the first week of August 2019. The Board adjudicated cases resulting from the random continuing education audits for appraiser recertification during the fiscal year. In those cases where a Consent Agreement was appropriate, the Board accepted and approved the agreements negotiated by the Department legal staff.

Appraiser Certifications

Applications for appraisal certifications were approved, denied, or pending on a case by case basis, following Board consideration. Review and determination encompassed applicants for General and Residential certification, taking into consideration education, experience, work product review, and successful completion of the applicable approved examination. Only one licensure application was denied by the board, was adjudicated on administrative appeal and was denied again by the board on final reconsideration. The Board also processed applications for Registered appraisal trainees, trainee Supervisors, applications for certification by reciprocity and courtesy licenses.

Appraisal Management Company Regulation

The Board completed its project regarding the registration and regulation of real estate Appraisal Management Companies and established fees for their operation within the state. The Board committed to establishing AMC oversight regulation in 2015 and reaffirmed that in 2017. Under the federal Dodd-Frank act, AMC's are not be allowed to operate in states that do not enact AMC oversight by August of 2018. And under Dodd-Frank, oversight responsibility is conferred on state appraisal boards. An effort was made by the Alaska Chapter of the Appraisal Institute to get AMC legislation considered in the 2015 legislative session, but they were unable to secure a sponsor legislator. With a push from Wells Fargo bank and the AMC lobby organization REVAA (Real Estate Valuation Advocacy Assoc.) Representative Andy Josephson and Senator Kevin Meyer both sponsored legislation to allow AMC oversight regulation. With testimony and support from the Alaska Board, that legislation was successfully passed in 2018, signed by the Governor in July 2018.

A modification of the federal enactment deadline allowed the Board a 1-year extension in order to pass appropriate legislation. The regulations were successfully implemented in 2019 and AMC regulation resultantly increased the Board's and staff's workloads considerably through the approval of 62 AMC's during the fiscal year.

Appraiser Disciplinary Review

Complaints and/or conduct issues have been continued to be reported by the assigned departmental Investigator to the Board. When needed the Investigator engaged a Board Member to advise and/or assist on technical appraisal issues. The majority of those complaints have been closed to date, but several remain open due to Investigative Unit regulatory processes.

Appraisal Subcommittee Compliance Review of the Alaska Appraiser Regulatory Program

All state appraisal boards are subject to federal oversight and conformance with uniform national standards. Because of this requirement, In July 2019 the Appraisal Subcommittee (ASC) of The Appraisal Foundation (TAF) conducted a Compliance Review of the Alaska appraiser regulatory program run by the Alaska Board of Certified Real Estate Appraisers. The ASC audit team met in Juneau for phase one of the audit, then completed the audit in Anchorage with the observation of the Board's August 2019 meeting. The audit addressed both the regulatory aspects as well as the functioning of the Board in action, and the outcome was a "Good" rating. Areas of concern identified will be addressed by the Board via the establishment of a Board Subcommittee, and Alaska will remain on a two-year review cycle.

Association of Appraiser Regulatory Officials

Since 2014 the Board has been a member of the Association of Appraiser Regulatory Officials (AARO) and typically appoints one board member and one associated staff person to attend the annual meetings. The Board approved Ashlee Stetson (Public Member) to attend the May 2020 conference but this request was not approved by the state.

ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS
Fiscal Year 2020 Annual Report

Budget Recommendations for FY 2021

The Budget Recommendations section anticipates the board’s fiscal priorities for the upcoming year. Please complete all parts of this section with details about anticipated meetings, conferences, memberships, supplies, equipment, to other board requests. Meeting expenses that are being funded through third-party reimbursement or direct booking must be identified separately from expenses paid through license fees (receipt-supported services or RSS). Be sure to explain any items listed as “other” so they may be tracked appropriately.

Board Meeting Date	Location	# Board	# Staff
September 2020	Videoconference		
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input checked="" type="checkbox"/> Other:			\$350.00
Total Estimated Cost:			\$350.00

Board Meeting Date	Location	# Board	# Staff
TBD	Videoconference		
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input checked="" type="checkbox"/> Other:			\$350.00
Total Estimated Cost:			\$350.00

Board Meeting Date	Location	# Board	# Staff
TBD	Videoconference		
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input checked="" type="checkbox"/> Other:			\$350.00
Total Estimated Cost:			\$350.00

Budget Recommendations for FY 2021 (continued)

Board Meeting Date	Location	# Board	# Staff
TBD	Videoconference		
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input checked="" type="checkbox"/> Other:			\$350.00
Total Estimated Cost:			\$350.00

Travel Required to Perform Examinations			
<input checked="" type="checkbox"/> Not applicable			
Date	Location	# Board	# Staff
Description of meeting and its role in supporting the mission of the Board:			
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input type="checkbox"/> Conference:			\$0.00
<input type="checkbox"/> Other:			\$0.00
Describe "Other" (break out all sections):			
Total Estimated Cost:			\$0.00

Out-of-State Meetings and Additional In-State Travel		(Rank in order of importance)		
<input checked="" type="checkbox"/> #1 Rank in Importance or <input type="checkbox"/> Not Applicable				
Date	Location	# Board	# Staff	
TBD	TBD	0	2	
Description of meeting and its role in supporting the mission of the Board: Investigator Training, Level 1				
Increase familiarity with the processes of evaluation, investigation, and resolution of complaints based on real life cases received from appraisers nationwide. Learn new technology, terminology, and best practices.				
Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input checked="" type="checkbox"/> Airfare:	\$0.00	\$1,000.00	\$0.00	\$1,000.00
<input checked="" type="checkbox"/> Hotel:	\$0.00	\$0.00	\$400.00	\$400.00
<input checked="" type="checkbox"/> Ground:	\$0.00	\$0.00	\$100.00	\$100.00
<input checked="" type="checkbox"/> Conference:	\$0.00	\$0.00	\$600.00	\$600.00
<input type="checkbox"/> Other	\$0.00	\$0.00	\$0.00	\$0.00
Describe "Other" (break out all sections):				
Net Total:	\$0.00	\$1,000.00	\$1,100.00	\$2,100.00

Budget Recommendations for FY 2021 (continued)

Out-of-State Meetings and Additional In-State Travel

#2 Rank in Importance

Date	Location	# Board	# Staff	
TBD	TBD	0	2	
Description of meeting and its role in supporting the mission of the Board: Investigator Training, Level 2				
Increase familiarity with the processes of evaluation, investigation, and resolution of complaints based on real life cases received from appraisers nationwide. Learn new technology, terminology, and best practices.				
Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input checked="" type="checkbox"/> Airfare:	\$0.00	\$1,000.00	\$0.00	\$1,000.00
<input checked="" type="checkbox"/> Hotel:	\$0.00	\$0.00	\$400.00	\$400.00
<input checked="" type="checkbox"/> Ground:	\$0.00	\$0.00	\$100.00	\$100.00
<input checked="" type="checkbox"/> Conference:	\$0.00	\$0.00	\$600.00	\$600.00
<input type="checkbox"/> Other	\$0.00	\$0.00	\$0.00	\$0.00
Describe "Other" (break out all sections):				
Net Total:	\$0.00	\$1,000.00	\$1,100.00	\$2,100.00

Out-of-State Meetings and Additional In-State Travel

#3 Rank in Importance

Date	Location	# Board	# Staff	
October 16-19, 2020	Washington, D.C.	1	0	
Description of meeting and its role in supporting the mission of the Board: AARO Fall Conference				
Fall Conference. Association of Appraiser Regulatory Officials/AARO where the AK Board is a member; the organization helps in administration of appraiser & appraisal management company regulatory laws.				
Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input checked="" type="checkbox"/> Airfare:	\$2,000.00	\$0.00	\$0.00	\$2,000.00
<input checked="" type="checkbox"/> Hotel:	\$1,500.00	\$0.00	\$0.00	\$1,500.00
<input checked="" type="checkbox"/> Ground:	\$400.00	\$0.00	\$0.00	\$400.00
<input checked="" type="checkbox"/> Conference:	\$700.00	\$0.00	\$0.00	\$700.00
<input type="checkbox"/> Other	\$0.00	\$0.00	\$0.00	\$0.00
Describe "Other" (break out all sections):				
Net Total:	\$4,600.00	\$0.00	\$0.00	\$4,600.00

Budget Recommendations for FY 2021 (continued)

Out-of-State Meetings and Additional In-State Travel

#4 Rank in Importance

Date	Location	# Board	# Staff	
April 30- May 2, 2021	San Antonio, TX	1	0	
Description of meeting and its role in supporting the mission of the Board: AARO Spring Conference				
Spring Conference. Association of Appraiser Regulatory Officials/AARO where the AK Board is a member; the organization helps in administration of appraiser & appraisal management company regulatory laws.				
Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input checked="" type="checkbox"/> Airfare:	\$2,000.00	\$0.00	\$0.00	\$2,000.00
<input checked="" type="checkbox"/> Hotel:	\$1,500.00	\$0.00	\$0.00	\$1,500.00
<input checked="" type="checkbox"/> Ground:	\$400.00	\$0.00	\$0.00	\$400.00
<input checked="" type="checkbox"/> Conference:	\$700.00	\$0.00	\$0.00	\$700.00
<input type="checkbox"/> Other	\$0.00	\$0.00	\$0.00	\$0.00
Describe "Other" (break out all sections):				
Net Total:	\$4,600.00	\$0.00	\$0.00	\$4,600.00

Non-Travel Budget Requests

- Not Applicable Resources Examinations
 Membership Training Other

Product or Service	Provider	Cost Per Event
USPA		\$0.00

Description of item and its role in supporting the mission of the Board:

Budget Recommendations for FY 2021 (continued)

Other Items with a Fiscal Impact		Cost Per Event:	\$0.00
<input checked="" type="checkbox"/> Not Applicable		Number of Events:	0
Product or Service	Provider	Total Cost	
		\$0.00	
Description of item and its role in supporting the mission of the Board:			

Summary of FY 2021 Fiscal Requests	
Board Meetings and Teleconferences:	\$1,400.00
Travel for Exams:	\$0.00
Out-of-State and Additional In-State Travel:	\$13,400.00
Dues, Memberships, Resources, Training:	\$0.00
Total Potential Third-Party Offsets:	-\$4,200.00
Other:	\$0.00
Total Requested:	\$10,600.00

ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS
Fiscal Year 2020 Annual Report

Legislation Recommendations Proposed Legislation for FY 2021

No Recommendations

The Board has no recommendations for proposed legislation at this time.

Recommendations

The Board has the following recommendations for proposed legislation:

ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS
Fiscal Year 2020 Annual Report

Regulation Recommendations Proposed Legislation for FY 2021

No Recommendations

The Board has no recommendations for proposed regulations at this time.

Recommendations

The Board has the following recommendations for proposed regulations:

ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS
Fiscal Year 2020 Annual Report

Goals and Objectives

Part I

FY 2020's goals and objectives, and how they were met:

- 1) Seek comments/input from other organizations that are involved in our use of appraisal services in Alaska. The Board will continue to offer public comment at every meeting and will continue to receive input from the ASC.
- 2) Circulate the Board meeting dates to appraisal organizations, interested individuals, and users of appraisal services. The Board meeting dates will be posted to their website.
- 3) Disseminate information about Board actions to the appraisal members. The Board will consider preparing a newsletter in electronic format for distribution to all appraisal members. The Board will encourage a Board member to attend Appraisal Institute meetings and provide reports as appropriate to the Institute members.
- 4) Post the minutes of each Board meeting on the Certified Appraisers website.
- 5) Look into the set up and notice-giving possibilities of dissemination Appraiser Board activities through email database addresses of licensed appraisers. The Board has begun this process and will look at utilizing their website as well to distribute information to licensees.
- 6) To have at least one face-to-face meeting per year. The board met in person on August of 2019.

ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS
Fiscal Year 2020 Annual Report

Goals and Objectives

Part II

FY 2021's goals and objectives, and proposed methods to achieve them.

Describe any strengths, weaknesses, opportunities, threats and required resources:

Future Board Goals

The Board will continue to strive to foster harmonious relations between local, state, and national regulatory bodies for the betterment of the appraising profession and its peers. In addition, the Board will strive to act with professionalism in advancing regulations and procedures that benefit the appraising profession in maintaining the highest professional and ethical standards possible through cooperation among legislative and end-user groups.

The Board thanks the State of Alaska Department of Commerce, Community, & Economic Development, the Division of Corporations, Business & Professional Licensing for their continued dedication to the empowerment of the Board in providing the tools and regulatory framework necessary for the Board to complete its mandate. The Board had faced vacancy challenges for the past several years and some staffing turnover, but now appears to be stabilized with a fully appointed board with geographic diversity. We thank the department for their part in these efforts.

ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS
Fiscal Year 2020 Annual Report

Sunset Audit Recommendations

Date of Last Legislative Audit: 2017
Board Sunset Date: 6/30/2026

Audit Recommendation: Do a fee analysis for appraiser registration fees, considering the surplus in the account.

Action Taken: Fee analysis conducted, Fall of 2018, all fees reduced.

Next Steps: n/a

Date Completed: New fee schedule effective 2019.

STATE OF ALASKA 2021

HOLIDAY CALENDAR

State Holidays

Date	Holiday
01/01	New Year's Day
01/18	MLK Jr.'s Birthday
02/15	Presidents' Day
03/29	Seward's Day
05/31	Memorial Day
07/04	Independence Day (observed 7/5)
09/06	Labor Day
10/18	Alaska Day
11/11	Veterans' Day
11/25	Thanksgiving Day
12/25	Christmas Day (observed 12/24)
01/01/22	New Year's Day (observed 12/31/21)

Biweekly employees please refer to appropriate collective bargaining unit agreement for more information regarding holidays.

 Holiday



State calendar maintained by the
Division of Finance,
Department of Administration
<http://doa.alaska.gov/calendars.html>
Revised 12/16/2019

JANUARY

S	M	T	W	T	F	S
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FEBRUARY

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State of Alaska 2022 HOLIDAY CALENDAR

State Holidays

Date	Holiday
01/01/2022	New Year's Day (observed 12/31/2021)
01/17/2022	MLK Jr.'s Birthday
02/21/2022	Presidents' Day
03/28/2022	Seward's Day
05/30/2022	Memorial Day
07/04/2022	Independence Day
09/05/2022	Labor Day
10/18/2022	Alaska Day
11/11/2022	Veterans' Day
11/24/2022	Thanksgiving Day
12/25/2022	Christmas Day (observed 12/26/2022)

Please refer to appropriate collective bargaining unit agreement for more information regarding holidays.

 Holiday



JANUARY

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FEBRUARY

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MARCH

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APRIL

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MAY

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JUNE

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JULY

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AUGUST

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SEPTEMBER

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OCTOBER

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NOVEMBER

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DECEMBER

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